

Senate File 2315 - Reprinted

SENATE FILE 2315
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO SSB 3152)

(As Amended and Passed by the Senate March 12, 2012)

A BILL FOR

1 An Act relating to redesign of publicly funded mental
2 health and disability services by requiring certain core
3 services and addressing other services and providing for
4 establishment of regions and including effective date and
5 applicability provisions.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

CORE SERVICES

Section 1. Section 225C.2, Code 2011, is amended by adding the following new subsections:

NEW SUBSECTION. 7A. "*Mental health and disability services region*" means a mental health and disability services region formed in accordance with section 331.438B.

NEW SUBSECTION. 7B. "*Mental health and disability services regional service system*" means the mental health and disability service system for a mental health and disability services region.

NEW SUBSECTION. 9. "*Regional administrator*" means the same as defined in section 331.438A.

Sec. 2. Section 225C.4, subsection 1, paragraphs a, b, c, f, h, j, q, and s, Code 2011, are amended to read as follows:

a. Prepare and administer the comprehensive mental health and disability services plan as provided in section 225C.6B, including state mental health and mental retardation plans for the provision of disability services within the state and the state developmental disabilities plan. The administrator shall consult with the Iowa department of public health, the state board of regents or a body designated by the board for that purpose, the department of management or a body designated by the director of the department for that purpose, the department of education, the department of workforce development and any other appropriate governmental body, in order to facilitate coordination of disability services provided in this state. The state mental health and mental retardation plans shall be consistent with the state health plan, and shall incorporate ~~county disability services~~ mental health and disability services regional service system management plans.

b. ~~Assist county boards of supervisors and mental health and developmental disabilities regional planning councils~~ mental health and disability services region governing boards and regional administrators in planning for community-based

1 disability services.

2 *c.* Emphasize the provision of evidence-based outpatient
3 and community support services by community mental health
4 centers and local mental retardation providers as a preferable
5 alternative to acute inpatient hospital services and services
6 provided in large institutional settings.

7 *f.* ~~Promote coordination~~ Coordinate of community-based
8 services with those of the state mental health institutes and
9 state resource centers.

10 *h.* Administer and distribute state appropriations to
11 the mental health and ~~developmental disabilities community~~
12 disability regional services fund established by section ~~225C.7~~
13 225C.7A.

14 *j.* Establish and maintain a data collection and management
15 information system oriented to the needs of patients,
16 providers, the department, and other programs or facilities.
17 The system shall be used to identify, collect, and analyze
18 service outcome data in order to assess the effects of
19 the services on the persons utilizing the services. The
20 administrator shall annually submit to the commission
21 information collected by the department indicating the
22 changes and trends in the disability services system. The
23 administrator shall make the outcome data available to the
24 public.

25 *g.* In cooperation with the department of inspections and
26 appeals, recommend minimum standards under section 227.4 for
27 the care of and services to persons with mental illness ~~and or~~
28 mental retardation residing in county care facilities. The
29 administrator shall also cooperate with the department of
30 inspections and appeals in recommending minimum standards for
31 care of and services provided to persons with mental illness
32 or an intellectual disability living in a residential care
33 facility regulated under chapter 135C.

34 *s.* Provide technical assistance concerning disability
35 services and funding to ~~counties and mental health and~~

1 ~~developmental disabilities regional planning councils mental~~
2 ~~health and disability services region governing boards and~~
3 ~~regional administrators.~~

4 Sec. 3. Section 225C.4, subsection 1, Code 2011, is amended
5 by adding the following new paragraphs:

6 NEW PARAGRAPH. u. Enter into performance-based contracts
7 with regional administrators pursuant to section 331.440B.

8 NEW PARAGRAPH. v. Provide information through the internet
9 concerning waiting lists for services implemented by mental
10 health and disability services regions.

11 Sec. 4. Section 225C.6, subsection 1, paragraph b, Code
12 Supplement 2011, is amended to read as follows:

13 b. Adopt Pursuant to recommendations made for this purpose
14 by the administrator, adopt necessary rules pursuant to
15 chapter 17A which relate to disability programs and services,
16 including but not limited to definitions of each disability
17 included within the term "*disability services*" as necessary for
18 purposes of state, county, and regional planning, programs, and
19 services.

20 Sec. 5. Section 225C.6, subsection 1, paragraph 1, Code
21 Supplement 2011, is amended by striking the paragraph and
22 inserting in lieu thereof the following:

23 1. Pursuant to a recommendation made by the administrator,
24 identify basic financial eligibility standards for the
25 disability services provided by a mental health and disability
26 services region. The initial standards shall be as specified
27 in chapter 331.

28 Sec. 6. Section 225C.6A, Code 2011, is amended to read as
29 follows:

30 **225C.6A Disability services data system redesign.**

31 ~~The commission department~~ shall do the following relating to
32 ~~redesign of the data concerning the~~ disability services system
33 in the state:

34 ~~1. Identify sources of revenue to support statewide~~
35 ~~delivery of core disability services to eligible disability~~

1 ~~populations.~~

2 ~~2. Ensure there is a continuous improvement process for~~
3 ~~development and maintenance of the disability services system~~
4 ~~for adults and children. The process shall include but is not~~
5 ~~limited to data collection and reporting provisions.~~

6 ~~3.~~ a. 1. Plan, collect, and analyze data as necessary to
7 issue cost estimates for serving additional populations and
8 providing core disability services statewide. The department
9 shall maintain compliance with applicable federal and state
10 privacy laws to ensure the confidentiality and integrity of
11 individually identifiable disability services data. The
12 department ~~shall regularly~~ may periodically assess the status
13 of the compliance in order to assure that data security is
14 protected.

15 ~~b. 2.~~ In implementing a system under this ~~subsection~~
16 section for collecting and analyzing state, county and region,
17 and private contractor data, the department shall establish a
18 client identifier for the individuals receiving services. The
19 client identifier shall be used in lieu of the individual's
20 name or social security number. The client identifier shall
21 consist of the last four digits of an individual's social
22 security number, the first three letters of the individual's
23 last name, the individual's date of birth, and the individual's
24 gender in an order determined by the department.

25 ~~c. 3.~~ Each county regional administrator shall regularly
26 report to the department ~~annually on or before December 1, for~~
27 ~~the preceding fiscal year~~ the following information for each
28 individual served: demographic information, expenditure data,
29 and data concerning the services and other support provided to
30 each individual, as specified ~~in administrative rule adopted~~
31 by the ~~commission~~ department.

32 ~~4. Work with county representatives and other qualified~~
33 ~~persons to develop an implementation plan for replacing the~~
34 ~~county of legal settlement approach to determining service~~
35 ~~system funding responsibilities with an approach based upon~~

1 ~~residency. The plan shall address a statewide standard for~~
 2 ~~proof of residency, outline a plan for establishing a data~~
 3 ~~system for identifying residency of eligible individuals,~~
 4 ~~address residency issues for individuals who began residing in~~
 5 ~~a county due to a court order or criminal sentence or to obtain~~
 6 ~~services in that county, recommend an approach for contesting~~
 7 ~~a residency determination, and address other implementation~~
 8 ~~issues.~~

9 Sec. 7. NEW SECTION. **225C.7A Mental health and disability**
 10 **regional services fund.**

11 1. A mental health and disability regional services fund
 12 is created in the office of the treasurer of state under the
 13 authority of the department, which shall consist of the amounts
 14 appropriated to the fund by the general assembly for each
 15 fiscal year. Before completion of the department's budget
 16 estimate as required by section 8.23, the department shall
 17 determine and include in the estimate the amount which in order
 18 to address allowed growth should be appropriated to the fund
 19 for the succeeding fiscal year.

20 2. The department shall allocate the moneys appropriated
 21 from the fund to mental health and disability services
 22 regions for funding of disability services in accordance with
 23 performance-based contracts with the regions and in the manner
 24 provided in the appropriations. If the allocation methodology
 25 includes a population factor, the definition of "*population*" in
 26 section 331.438A shall be applied.

27 Sec. 8. Section 226.10, Code 2011, is amended to read as
 28 follows:

29 **226.10 Equal treatment.**

30 The ~~several~~ patients of the state mental health institutes,
 31 according to their different conditions of mind and body, and
 32 their respective needs, shall be provided for and treated
 33 with equal care. If in addition to mental illness a patient
 34 has a co-occurring intellectual disability, brain injury,
 35 or substance abuse disorder or other special need, the care

1 provided shall also address the co-occurring needs.

2 Sec. 9. Section 331.439, subsection 1, paragraph a, Code
3 Supplement 2011, is amended to read as follows:

4 a. The county accurately reported by December 1 the
5 county's expenditures for mental health, mental retardation,
6 and developmental disabilities services and the information
7 required under section 225C.6A, subsection 3, paragraph "c",
8 for the previous fiscal year in accordance with rules adopted
9 by the state commission. The information reported shall
10 conform with the cost principles for state, local, and Indian
11 tribal governments issued by the United States office of
12 management and budget. The information shall also segregate
13 expenditures for administration, purchase of service, and
14 enterprise costs in which the county is a service provider
15 or is directly billing and collecting payments and shall be
16 submitted on forms prescribed by the department of management.
17 If the department of human services determines good cause
18 exists, the department may extend a deadline otherwise
19 imposed under this chapter, chapter 225C, or chapter 426B
20 for a county's reporting concerning mental health, mental
21 retardation, or developmental disabilities services or related
22 revenues and expenditures.

23 Sec. 10. Section 331.439, Code Supplement 2011, is amended
24 by adding the following new subsection:

25 NEW SUBSECTION. 9A. a. Commencing during the fiscal
26 year beginning July 1, 2012, the county management plan for
27 mental health services shall provide that an individual's
28 eligibility for individualized services shall be determined by
29 a standardized functional assessment methodology approved for
30 this purpose by the director of human services.

31 b. Commencing during the fiscal year beginning July 1,
32 2012, the county management plan for intellectual disability
33 services shall provide that an individual's eligibility for
34 individualized services shall be determined by a standardized
35 functional assessment methodology approved for this purpose by

1 the director of human services.

2 *c.* Commencing during the fiscal year beginning July 1, 2012,
3 if a county management plan provides for brain injury services
4 the plan shall provide that an individual's eligibility for
5 individualized services shall be determined by a standardized
6 functional assessment methodology approved for this purpose by
7 the director of human services.

8 Sec. 11. NEW SECTION. 331.439A **Regional service system**
9 **management plan.**

10 1. *a.* The mental health and disability services provided
11 by counties operating as a region shall be delivered in
12 accordance with a regional service system management plan
13 approved by the region's governing board and implemented by
14 the regional administrator in accordance with this section.
15 The requirements for a regional service system management plan
16 and plan format shall be specified in rule adopted by the
17 state commission. A regional service system management plan
18 is subject to the approval of the director of human services
19 pursuant to a recommendation made by the state commission.

20 *b.* A regional service system management plan shall address
21 a three-year period. The initial plan shall be submitted to
22 the department by April 1, 2014, and by April 1 of every third
23 year thereafter. The initial plan is subject to approval by
24 the director of human services.

25 *c.* Each region shall submit an annual update of the region's
26 management plan to the department of human services each year
27 on or before December 1. The annual update shall include any
28 changes to the elements of the management plan as well as
29 actual numbers of persons served, moneys expended, and outcomes
30 achieved. An annual update is subject to approval by the state
31 commission pursuant to a recommendation by the director of
32 human services.

33 *d.* An amendment to an approved management plan shall
34 be submitted to the department of human services at least
35 forty-five calendar days prior to the amendment implementation.

1 The amendment is subject to approval by the state commission
2 pursuant to a recommendation by the director of human services.

3 2. The provisions of a regional service system management
4 plan shall include but are not limited to all of the following:

5 Measures to address the needs of individuals who have two
6 or more co-occurring mental health, intellectual or other
7 developmental disability, brain injury, or substance-related
8 disorders and individuals with specialized needs.

9 Implementation of measures to meet the needs of individuals
10 with a developmental disability other than intellectual
11 disability, brain injury, or substance-related disorders is
12 contingent upon identification of a funding source to meet
13 those needs and implementation of provisions to engage the
14 entity under contract with the state to provide services to
15 address substance-related disorders within the regional service
16 system.

17 3. The region may either directly implement a system of
18 service management and contract with service providers, or
19 contract with a private entity to manage the regional service
20 system, provided all requirements of this section are met
21 by the private entity. The regional service system shall
22 incorporate service management and functional assessment
23 processes developed in accordance with applicable requirements.

24 4. The regional service system management plan for a region
25 shall include but is not limited to all of the following
26 elements, which shall be specified in administrative rules
27 adopted by the state commission:

28 a. A description of the region's policies and procedures for
29 financing the services included in the plan. The description
30 shall also address how county, regional, state, and other
31 funding sources will be used to meet the service needs within
32 the region.

33 b. The enrollment and eligibility process.

34 c. The scope of services included in addition to the core
35 services required by this part of this chapter. Each service

1 included shall be described and projections of need and the
2 funding necessary to meet the need shall be included.

3 *d.* The method of plan administration.

4 *e.* The process for managing utilization and access to
5 services and other assistance. The process shall also describe
6 how coordination between the services included in the plan and
7 the disability services administered by the state and others
8 will be managed.

9 *f.* The quality management and improvement processes.

10 *g.* The risk management provisions and fiscal viability of
11 the plan, if the region contracts with a private entity.

12 *h.* The access points for services.

13 *i.* The requirements for designation of targeted case
14 management providers and for implementation of evidence-based
15 models of case management for persons with chronic mental
16 illness. The requirements shall be designed to provide the
17 individual receiving the case management with a choice of
18 providers, allow a service provider to be the case manager but
19 prohibit the provider from referring an individual receiving
20 the case management only to services administered by the
21 provider, and include other provisions to ensure compliance
22 with but not exceed federal requirements for conflict-free case
23 management.

24 *j.* A plan for a systems of care approach in which multiple
25 public and private agencies partner with families and
26 communities to address the multiple needs of the individuals
27 and their families involved with the regional service system.

28 *k.* A plan to assure effective crisis prevention, response,
29 and resolution.

30 *l.* A plan for provider network formation and management.

31 *m.* A plan for provider reimbursement approaches that
32 includes approaches in addition to fee-for-service and to
33 compensate the providers engaged in a systems of care approach
34 and other nontraditional providers. A region shall be
35 encouraged to use, and the department shall approve, blended

1 funding approaches or coordinated funding approaches known as
2 braided funding, which incorporate all services and funding
3 streams used by persons receiving services, including medical
4 assistance program funding.

5 *n.* If the region applies any provider licensing,
6 certification, or accreditation requirements in addition to
7 those required by the state, the procedures for implementing
8 the requirements.

9 *o.* Service provider payment provisions.

10 *p.* Financial forecasting measures.

11 *q.* A process for resolving grievances.

12 *r.* Measures for implementing interagency and multisystem
13 collaboration and care coordination.

14 5. A region may provide assistance to service populations
15 with disabilities to which the counties comprising the region
16 have historically provided assistance but who are not included
17 in the service management provisions required under subsection
18 2, subject to the availability of funding.

19 6. If a region determines that the region cannot provide
20 services for the fiscal year in accordance with the regional
21 plan and remain in compliance with applicable budgeting
22 requirements, the region may implement a waiting list for
23 the services. The procedures for establishing and applying
24 a waiting list shall be specified in the regional plan. If
25 a region implements a waiting list for services, the region
26 shall notify the department of human services. The department
27 shall maintain on the department's internet site an up-to-date
28 listing of the regions that have implemented a waiting list and
29 the services affected by each waiting list.

30 7. The director's approval of a regional plan shall not be
31 construed to constitute certification of the respective county
32 budgets or of the region's budget.

33 Sec. 12. NEW SECTION. 331.439B Financial eligibility
34 requirements.

35 A person must comply with all of the following financial

1 eligibility requirements to be eligible for services under the
2 regional service system:

3 1. The person must have an income equal to or less than
4 one hundred fifty percent of the federal poverty level, as
5 defined by the most recently revised poverty income guidelines
6 published by the United States department of health and
7 human services, to be eligible for disability services
8 public funding. It is the intent of the general assembly to
9 consider increasing this income eligibility provision to two
10 hundred percent of the federal poverty level, contingent upon
11 implementation of the federal Patient Protection and Affordable
12 Care Act beginning in January 2014.

13 2. a. A region or a service provider contracting with the
14 region shall not apply a copayment, sliding fee scale, or other
15 cost sharing requirement for a particular service to a person
16 with an income equal to or less than one hundred fifty percent
17 of the federal poverty level.

18 b. A person with an income above one hundred fifty
19 percent of the federal poverty level may be eligible for
20 services subject to a copayment, sliding fee scale, or other
21 cost-sharing requirement approved by the department.

22 c. A provider under the regional service system of a service
23 that is not funded by the medical assistance program under
24 chapter 249A may waive the copayment or other cost-sharing
25 arrangement if the provider is fully able to absorb the cost.

26 3. A person who is eligible for federally funded services
27 and other support must apply for such services and support.

28 4. The person is in compliance with resource limitations
29 identified in rule adopted by the state commission. The
30 limitation shall be derived from the federal supplemental
31 security income program resource limitations. A person with
32 resources above the federal supplemental security income
33 program resource limitations may be eligible subject to
34 limitations adopted in rule by the state commission. If a
35 person does not qualify for federally funded services and other

1 support but meets income, resource, and functional eligibility
2 requirements for regional services, the following types of
3 resources shall be disregarded:

4 *a.* A retirement account that is in the accumulation stage.

5 *b.* A burial, medical savings, or assistive technology
6 account.

7 Sec. 13. NEW SECTION. 331.439C **Diagnosis — functional**
8 **assessment.**

9 1. A person must comply with all of the following
10 requirements to be eligible for mental health services under
11 the regional service system:

12 *a.* The person complies with financial eligibility
13 requirements under section 331.439B.

14 *b.* The person is at least eighteen years of age and is a
15 resident of this state. However, a person who is seventeen
16 years of age, is a resident of this state, and is receiving
17 publicly funded children's services may be considered eligible
18 for services through the regional service system during the
19 three-month period preceding the person's eighteenth birthday
20 in order to provide a smooth transition from children's to
21 adult services.

22 *c.* The person has had at any time during the preceding
23 twelve-month period a diagnosable mental health, behavioral, or
24 emotional disorder. The diagnosis shall be made in accordance
25 with the criteria provided in the diagnostic and statistical
26 manual of mental disorders, fourth edition text revised,
27 published by the American psychiatric association, and shall
28 not include the manual's "V" codes identifying conditions other
29 than a disease or injury. The diagnosis shall also not include
30 substance-related disorders, dementia, antisocial personality,
31 or developmental disabilities, unless co-occurring with another
32 diagnosable mental illness.

33 *d.* The person's eligibility for individualized services
34 shall be determined in accordance with the standardized
35 functional assessment methodology approved for mental health

1 services by the director of human services in consultation with
2 the state commission.

3 2. A person must comply with all of the following
4 requirements to be eligible for intellectual disability or
5 other developmental disability services under the regional
6 service system:

7 a. The person complies with financial eligibility
8 requirements under section 331.439B.

9 b. The person is at least eighteen years of age and is a
10 resident of this state. However, a person who is seventeen
11 years of age, is a resident of this state, and is receiving
12 publicly funded children's services may be considered eligible
13 for services through the regional service system during the
14 three-month period preceding the person's eighteenth birthday
15 in order to provide a smooth transition from children's to
16 adult services.

17 c. The person has a diagnosis of intellectual disability.

18 d. The person's eligibility for individualized services
19 shall be determined in accordance with the standardized
20 functional assessment methodology approved for intellectual
21 disability and developmental disability services by the
22 director of human services.

23 3. A person must comply with all of the following
24 requirements to be eligible for brain injury services under the
25 regional service system:

26 a. The person complies with financial eligibility
27 requirements under section 331.439B.

28 b. The person is at least eighteen years of age and is a
29 resident of this state. However, a person who is seventeen
30 years of age, is a resident of this state, and is receiving
31 publicly funded children's services may be considered eligible
32 for services through the regional service system during the
33 three-month period preceding the person's eighteenth birthday
34 in order to provide a smooth transition from children's to
35 adult services.

1 *c.* The person has a diagnosis of brain injury.

2 *d.* The person's eligibility for individualized services
3 shall be determined in accordance with a standardized
4 functional assessment methodology approved for this purpose by
5 the director of human services.

6 Sec. 14. NEW SECTION. 331.439D **Regional core services.**

7 1. For the purposes of this section, unless the context
8 otherwise requires:

9 *a.* "*Crisis stabilization facility*" means an institution,
10 place, building, or agency with restricted means of egress
11 designed to provide accommodation, board, and the services
12 of a mental health professional on a short-term basis of no
13 more than five days to three or more individuals who present
14 in the facility with acute psychiatric needs. The goal of a
15 crisis stabilization facility is to decrease the severity of an
16 individual's condition to allow transition of the individual to
17 a less restrictive facility or to the individual's home.

18 *b.* "*Domain*" means a set of similar, discrete services that
19 can be provided depending upon an individual's service needs.

20 2. *a.* (1) A region shall work with service providers to
21 ensure that services are available to residents of the region,
22 regardless of potential payment source for the services.

23 (2) Subject to available appropriations, the director of
24 human services shall ensure the initial core service domains
25 listed in subsection 4 are covered services for the medical
26 assistance program under chapter 249A to the greatest extent
27 allowable under federal regulations. Within funds available,
28 the region shall pay for such services for eligible individuals
29 when payment through the medical assistance program or another
30 third-party payment is not available, unless the individual is
31 on a waiting list for such payment or it has been determined
32 that the individual does not meet the eligibility criteria for
33 any such service.

34 (3) Until funding is designated for other service
35 populations, eligibility for the service domains listed in this

1 section shall be limited to such persons who are in need of
2 mental health or intellectual disability services. However, if
3 a county in a region was providing services to an individual
4 with a developmental disability other than intellectual
5 disability or a brain injury prior to formation of the region,
6 the individual shall remain eligible for the services provided
7 when the region is formed, provided that funds are available to
8 continue such services.

9 *b.* It is the intent of the general assembly to address
10 the need for funding so that the availability of the service
11 domains listed in this section may be expanded to include such
12 persons who are in need of developmental disability or brain
13 injury services.

14 3. Pursuant to recommendations made by the director of human
15 services, the state commission shall adopt rules as required by
16 section 225C.6 to define the services included in the initial
17 and additional core service domains listed in this section.
18 The rules shall provide consistency, to the extent possible,
19 with similar service definitions under the medical assistance
20 program.

21 4. The initial core service domains shall include the
22 following:

23 *a.* Treatment designed to ameliorate a person's condition,
24 including but not limited to all of the following:

- 25 (1) Assessment and evaluation.
- 26 (2) Mental health outpatient therapy.
- 27 (3) Medication prescribing and management.
- 28 (4) Mental health inpatient treatment.

29 *b.* Basic crisis response provisions, including but not
30 limited to all of the following:

- 31 (1) Twenty-four-hour access to crisis response.
- 32 (2) Evaluation.
- 33 (3) Personal emergency response system.

34 *c.* Support for community living, including but not limited
35 to all of the following:

- 1 (1) Home health aide.
- 2 (2) Home and vehicle modifications.
- 3 (3) Respite.
- 4 (4) Supportive community living.
- 5 *d.* Support for employment, including but not limited to all
- 6 of the following:
 - 7 (1) Day habilitation.
 - 8 (2) Job development.
 - 9 (3) Supported employment.
 - 10 (4) Prevocational services.
- 11 *e.* Recovery services, including but not limited to all of
- 12 the following:
 - 13 (1) Family support.
 - 14 (2) Peer support.
- 15 *f.* Service coordination including coordinating physical
- 16 health and primary care, including but not limited to all of
- 17 the following:
 - 18 (1) Case management.
 - 19 (2) Health homes.
- 20 5. A region shall ensure that access is available to
- 21 providers of core services that demonstrate competencies
- 22 necessary for all of the following:
 - 23 *a.* Serving persons with co-occurring conditions.
 - 24 *b.* Providing evidence-based services.
 - 25 *c.* Providing trauma-informed care that recognizes the
 - 26 presence of trauma symptoms in persons receiving services.
- 27 6. A region shall ensure that services within the following
- 28 additional core service domains are available to persons not
- 29 eligible for the medical assistance program under chapter 249A
- 30 or receiving other third-party payment for the services, when
- 31 public funds are made available for such services:
 - 32 *a.* Comprehensive crisis services, including but not limited
 - 33 to all of the following:
 - 34 (1) Twenty-four-hour crisis hotline.
 - 35 (2) Mobile response.

1 (3) Twenty-three-hour crisis observation and holding, and
2 crisis stabilization facility and community-based services.

3 (4) Crisis residential services.

4 *b.* Subacute services provided in facility and
5 community-based settings.

6 *c.* Justice system-involved services, including but not
7 limited to all of the following:

8 (1) Jail diversion.

9 (2) Crisis intervention training.

10 (3) Civil commitment prescreening.

11 *d.* Advances in the use of evidence-based treatment,
12 including but not limited to all of the following:

13 (1) Positive behavior support.

14 (2) Assertive community treatment.

15 (3) Peer support services.

16 7. A regional service system may provide funding for other
17 appropriate services or other support. In considering whether
18 to provide such funding, a region may consider the following
19 criteria:

20 *a.* Applying a person-centered planning process to identify
21 the need for the services or other support.

22 *b.* The efficacy of the services or other support is
23 recognized as an evidence-based practice, is deemed to be an
24 emerging and promising practice, or providing the services is
25 part of a demonstration and will supply evidence as to the
26 services' effectiveness.

27 *c.* A determination that the services or other support
28 provides an effective alternative to existing services that
29 have been shown by the evidence base to be ineffective, to not
30 yield the desired outcome, or to not support the principles
31 outlined in *Olmstead v. L.C.*, 527 U.S. 581 (1999).

32 Sec. 15. NEW SECTION. 331.440B **Regional service system**
33 **financing.**

34 1. *a.* The financing of a regional mental health and
35 disability service system is limited to a fixed budget amount.

1 The fixed budget amount shall be the amount identified in
2 a regional service system management plan and budget for
3 the fiscal year. A region shall receive state funding for
4 growth in non-Medicaid expenditures through the mental health
5 and disability regional services fund created in section
6 225C.7A to address increased service costs, additional service
7 populations, additional core service domains, and increased
8 numbers of persons receiving services.

9 *b.* The state commission shall recommend a non-Medicaid
10 expenditures growth funding amount to the department, the
11 council on human services, and the governor annually by July
12 15 for the fiscal year which commences two years from the
13 beginning date of the fiscal year in progress at the time
14 the recommendation is made. The director of human service
15 shall consider the state commission's recommendation in the
16 director's budget recommendations to the council on human
17 services and the council shall consider the recommendation in
18 approving the department's budget submitted to the governor in
19 accordance with section 217.3. The governor shall consider the
20 state commission's recommendation in developing the governor's
21 recommendation for a non-Medicaid expenditures growth funding
22 amount for such fiscal year. The governor's recommendation
23 shall be submitted at the time the governor's proposed budget
24 for the succeeding fiscal year is submitted in accordance with
25 chapter 8.

26 2. A region shall implement its regional service system
27 management plan in a manner so as to provide adequate funding
28 of services for the entire fiscal year by budgeting for
29 ninety-nine percent of the funding anticipated to be available
30 for the regional plan for the fiscal year. A region may expend
31 all of the funding anticipated to be available for the regional
32 plan.

33 Sec. 16. IMPLEMENTATION OF ACT. Section 25B.2, subsection
34 3, shall not apply to this division of this Act.

35 Sec. 17. CODE EDITOR. The Code editor may codify the

1 provisions of this division of this Act and any other
2 provisions of this Act involving chapter 331 as one or more new
3 parts of chapter 331, division III.

4 Sec. 18. APPLICABILITY. The provisions of this division of
5 this Act enacting new Code sections 331.439A through 331.439E,
6 and section 331.440B apply beginning on July 1, 2013.

7 Sec. 19. APPLICABILITY. The provisions of this division
8 of this Act amending chapter 225C are applicable prior to July
9 1, 2013, for purposes of adopting rules to be effective on or
10 after July 1, 2013.

11 Sec. 20. EFFECTIVE DATE. The following provisions of this
12 Act take effect July 1, 2013:

13 1. The sections of this division of this Act amending
14 chapter 225C.

15 DIVISION II

16 REDESIGN PLANNING, SUPPORT, AND IMPLEMENTATION

17 Sec. 21. REDESIGN SUPPORT.

18 1. The department of human services shall work with the Iowa
19 state association of counties in providing training, support,
20 and technical assistance to counties in developing the mental
21 health and disability services regional services system as
22 provided in this Act and in evaluating whether any barriers
23 exist that would prevent or restrict the community services
24 network developed by the association from being used as the
25 data system for the service system.

26 2. The department shall identify third-party coverage
27 sources and develop estimates and financing options for
28 maximizing the use of the third-party coverage sources in
29 adding eligibility for core services under the mental health
30 and disability services regional service system for adults with
31 a developmental disability other than intellectual disability
32 and for adults with brain injury. The estimates and financing
33 options shall be submitted to the governor and general assembly
34 on or before December 14, 2012.

35 Sec. 22. MENTAL HEALTH AND DISABILITY SERVICES WORKFORCE

1 DEVELOPMENT WORKGROUP.

2 1. The department of human services shall create and
3 provide support to a mental health and disability services
4 workforce development workgroup to address issues in connection
5 with assuring that an adequate workforce is available in the
6 state to provide mental health and disability services. The
7 membership of the workgroup shall include the other state
8 agencies involved with the services and other appropriate
9 stakeholders designated by the director of human services in
10 consultation with the chairpersons and ranking members of
11 the committees on human resources of the senate and house of
12 representatives. In addition, the membership shall include
13 four members of the general assembly with one each appointed
14 by the majority and minority leader of the senate and the
15 speaker and minority leader of the house of representatives.
16 The workgroup shall report to the governor and general
17 assembly providing findings and recommendations and financing
18 information concerning the findings and recommendations. A
19 preliminary report shall be submitted on or before December 14,
20 2012, and a final report on or before December 16, 2013.

21 2. The workgroup shall consider the recommendations of
22 the direct care worker task force created pursuant to 2005
23 Iowa Acts, chapter 88, and the direct care worker advisory
24 council created pursuant to 2008 Iowa Acts, chapter 69,
25 regarding training, level of competency, core curricula, and
26 certification, including but not limited to those provisions
27 relating to the use of the college of direct support and other
28 internet-based training.

29 Sec. 23. REGIONAL SERVICE SYSTEM — OUTCOMES AND
30 PERFORMANCE MEASURES COMMITTEE.

31 1. The department of human services shall establish
32 an outcomes and performance measures committee to make
33 recommendations for specific outcomes and performance measures
34 to be utilized by the mental health and disability services
35 regional service system. The membership of the committee shall

1 include appropriate stakeholders designated by the director
2 of human services in consultation with the chairpersons
3 and ranking members of the committees on human resources of
4 the senate and house of representatives. In addition, the
5 membership shall include four members of the general assembly
6 with one each appointed by the majority and minority leader of
7 the senate and the speaker and minority leader of the house of
8 representatives.

9 2. The committee's recommendations shall incorporate the
10 outcome measurement methodologies previously developed by the
11 mental health and disability services commission. To the
12 extent possible, the committee shall seek to provide outcome
13 and performance measures recommendations that are consistent
14 across the mental health and disability services populations
15 addressed. The committee shall also evaluate data collection
16 requirements utilized in the mental health and disability
17 regional service system to identify the requirements that could
18 be eliminated or revised due to the administrative burden
19 involved or the low degree of relevance to outcomes or other
20 reporting requirements.

21 3. The committee recommendations shall be submitted to the
22 governor, general assembly, and policymaking bodies. Initial
23 recommendations shall be submitted on or before December 14,
24 2012, and final recommendations on or before December 16, 2013.
25 The mental health and disability services commission and other
26 policymaking bodies shall consider the recommendations in
27 eliminating or otherwise revising data collection requirements.

28 Sec. 24. NEW SECTION. **225C.6E Regional service system —**
29 **regulatory requirements.**

30 1. The departments of inspections and appeals, human
31 services, and public health shall comply with the requirements
32 of this section in their efforts to improve the regulatory
33 requirements applied to the mental health and disability
34 regional service system administration and service providers.

35 2. The three departments shall work together to establish

1 a process to streamline accreditation, certification, and
2 licensing standards applied to the regional service system
3 administration and service providers.

4 3. The departments of human services and inspections and
5 appeals shall jointly review the standards and inspection
6 process applicable to residential care facilities.

7 4. The three departments shall do all of the following in
8 developing regulatory requirements applicable to the regional
9 service system administration and service providers:

10 a. Consider the costs to administrators and providers in the
11 development of quality monitoring efforts.

12 b. Implement the use of uniform, streamlined, and statewide
13 cost reporting standards and tools by the regional service
14 system and the department of human services.

15 c. Make quality monitoring information, including services,
16 quality, and location information, easily available and
17 understandable to all citizens.

18 d. Establish standards that are clearly understood and are
19 accompanied by interpretive guidelines to support understanding
20 by those responsible for applying the standards.

21 e. Develop a partnership with providers in order to
22 improve the quality of services and develop mechanisms for the
23 provision of technical assistance.

24 f. Develop consistent data collection efforts based on
25 statewide standards and make information available to all
26 providers. The efforts under this paragraph shall be made with
27 representatives of the Iowa state association of counties.

28 g. Evaluate existing provider qualification and monitoring
29 efforts to identify duplication and gaps, and align the efforts
30 with valued outcomes.

31 h. Streamline and enhance existing standards.

32 i. Consider allowing providers to seek accreditation from
33 a national accrediting body in lieu of state accreditation or
34 certification.

35

DIVISION III

1 COMMUNITY MENTAL HEALTH CENTER AMENDMENTS

2 Sec. 25. Section 230A.110, subsection 1, as enacted by
3 2011 Iowa Acts, chapter 121, section 20, is amended to read as
4 follows:

5 1. The division shall recommend and the commission shall
6 adopt standards for designated community mental health
7 centers and comprehensive community mental health programs,
8 with the overall objective of ensuring that each center
9 and each affiliate providing services under contract with a
10 center furnishes high-quality mental health services within
11 a framework of accountability to the community it serves.
12 The standards adopted shall conform with federal standards
13 applicable to community mental health centers and shall be
14 in substantial conformity with the applicable behavioral
15 health standards adopted by the joint commission, formerly
16 known as the joint commission on accreditation of health care
17 organizations, ~~and~~ or other recognized national standards for
18 evaluation of psychiatric facilities unless in the judgment of
19 the division, with approval of the commission, there are sound
20 reasons for departing from the standards.

21 DIVISION IV

22 REGIONAL SERVICE SYSTEM

23 Sec. 26. Section 97B.1A, subsection 8, paragraph a, Code
24 Supplement 2011, is amended by adding the following new
25 subparagraph:

26 NEW SUBPARAGRAPH. (13) Employees of a regional
27 administrator formed in accordance with section 331.438E,
28 determined to be an instrumentality of the political
29 subdivision forming the regional administrator.

30 Sec. 27. NEW SECTION. 331.438A Definitions.

31 As used in this part, unless the context otherwise requires:

32 1. "*Department*" means the department of human services.

33 2. "*Disability services*" means the same as defined in
34 section 225C.2.

35 3. "*Population*" means the population shown by the latest

1 preceding certified federal census or the latest applicable
2 population estimate issued by the United States census bureau,
3 whichever is most recent.

4 4. "*Regional administrator*" means the administrative office,
5 organization, or entity formed by agreement of the counties
6 participating in a region to function on behalf of those
7 counties in accordance with this part.

8 5. "*State commission*" means the mental health and disability
9 services commission created in section 225C.5.

10 Sec. 28. NEW SECTION. 331.438B **Mental health and disability**
11 **services regions — criteria.**

12 1. Local access to mental health and disability services
13 for adults shall be provided by counties organized in a
14 regional service system. The regional service system shall be
15 implemented in stages in accordance with this section.

16 2. The director of human services shall approve any region
17 meeting the requirements of subsection 3. However, the
18 director of human services, in consultation with the state
19 commission, may grant a waiver from the requirement relating
20 to the minimum number of counties or the requirement providing
21 population parameters if there is convincing evidence that
22 compliance with such requirement is not workable.

23 3. Each county in the state shall participate in an approved
24 mental health and disability services region. A mental health
25 and disability services region shall comply with all of the
26 following requirements:

27 a. The counties comprising the region are contiguous.

28 b. The region has at least three counties.

29 c. The combined general population of the counties
30 comprising a region shall be at least two hundred thousand
31 persons and not more than seven hundred thousand persons.

32 d. The region has the capacity to provide required core
33 services and perform required functions.

34 e. At least one community mental health center or a
35 federally qualified health center with providers qualified

1 to provide psychiatric services, either directly or with
2 assistance from psychiatric consultants, is located within the
3 region, has the capacity to provide outpatient services for the
4 region, and is either under contract with the region or has
5 provided documentation of intent to contract with the region
6 to provide the services.

7 *f.* A hospital with an inpatient psychiatric unit or a state
8 mental health institute is located in or within reasonably
9 close proximity to the region, has the capability to provide
10 inpatient services for the region, and is either under contract
11 with the region or has provided documentation of intent to
12 contract with the region to provide the services.

13 *g.* The regional administrator structure proposed for or
14 utilized by the region has clear lines of accountability and
15 the regional administrator functions as a lead agency utilizing
16 shared county staff or other means of limiting administrative
17 costs.

18 4. County formation of a mental health and disability
19 services region is subject to all of the following:

20 *a.* On or before April 1, 2013, counties voluntarily
21 participating in a region have complied with all of the
22 following formation criteria:

23 (1) The counties forming the region have been identified
24 and the board of supervisors of the counties have approved a
25 written letter of intent to join together to form the region.

26 (2) The proposed region complies with the requirements in
27 subsection 3.

28 (3) The department provides written notice to the boards
29 of supervisors of the counties identified for the region in
30 the letter of intent that the counties have complied with the
31 requirements in subsection 3.

32 *b.* Upon compliance with the provisions of paragraph "a", the
33 participating counties are eligible for technical assistance
34 provided by the department.

35 *c.* During the period of April 2, 2013, through July 1,

1 2013, the department shall work with any county that has not
2 agreed to be part of a region in accordance with paragraph
3 "a" and with the regions forming around the county to resolve
4 issues preventing the county from joining a region. By July
5 1, 2013, a county that has not agreed to be part of a region
6 in accordance with paragraph "a" shall be assigned by the
7 department to a region.

8 d. On or before December 31, 2013, all counties shall be
9 part of a region that is in compliance with the provisions of
10 paragraph "a" other than meeting the November 1, 2012, date.

11 e. On or before June 30, 2015, all counties shall be
12 in compliance with all of the following mental health and
13 disability services region implementation criteria:

14 (1) The board of supervisors of each county participating in
15 the region has voted to approve a chapter 28E agreement.

16 (2) The duly authorized representatives of all the counties
17 participating in the region have signed the chapter 28E
18 agreement that is in compliance with section 331.438C.

19 (3) The county board of supervisors' or supervisors'
20 designee members and other members of the region's governing
21 board have been appointed in accordance with section 331.438C.

22 (4) Executive staff for the region's regional administrator
23 have been identified or engaged.

24 (5) An initial draft of a regional service management
25 transition plan has been developed which identifies the steps
26 to be taken by the region to do all of the following:

27 (a) Designate access points for the disability services
28 administered by the region.

29 (b) Designate the region's targeted case manager providers
30 funded by the medical assistance program.

31 (c) Identify the service provider network for the region.

32 (d) Define the service access and service authorization
33 process to be utilized for the region.

34 (e) Identify the information technology and data management
35 capacity to be employed to support regional functions.

1 (f) Establish business functions, funds accounting
2 procedures, and other administrative processes.

3 (g) Comply with data reporting and other information
4 technology requirements identified by the department.

5 (6) The department has approved the region's chapter 28E
6 agreement and the initial draft of the regional management
7 transition plan.

8 f. If the department, with the concurrence of the state
9 commission, determines that a region is in substantial
10 compliance with the implementation criteria in paragraph "e"
11 and has sufficient operating capacity to begin operations, the
12 region may commence partial or full operations prior to July
13 2014.

14 Sec. 29. NEW SECTION. 331.438C Regional governance
15 structure.

16 1. The counties comprising a mental health and disability
17 services region shall enter into an agreement under chapter
18 28E to form a regional administrator under the control of a
19 governing board to function on behalf of those counties.

20 2. The governing board shall comply with all of the
21 following requirements:

22 a. The voting membership of the governing board shall
23 consist of one board of supervisors member from each county
24 comprising the regions or their designees.

25 b. The membership of the governing board shall also consist
26 of not more than three individuals who utilize mental health
27 and disability services or actively involved relatives of such
28 individuals. These members shall be designated by the advisory
29 committee or committees formed by the governing board pursuant
30 to this section, in a manner so as to represent the geographic
31 areas of the region and to provide balanced representation for
32 the various disability groups utilizing the services provided
33 through the region. The members designated in accordance with
34 this paragraph shall serve in a nonvoting, ex officio capacity.

35 c. The membership of the governing board shall not include

1 employees of the department of human services.

2 *d.* The membership of the governing board shall also
3 consist of not more than three members representing service
4 providers in the region. These members shall be designated by
5 the advisory committee or committees formed by the governing
6 board pursuant to this section in a manner to represent the
7 various types of service providers. The members designated in
8 accordance with this paragraph shall serve in a nonvoting, ex
9 officio capacity.

10 *e.* The governing board shall have a regional advisory
11 committee consisting of individuals who utilize services or
12 actively involved relatives of such individuals, service
13 providers, and regional governing board members.

14 3. The regional administrator shall be under the control of
15 the governing board. The regional administrator shall enter
16 into performance-based contracts with the department for the
17 regional administrator to manage, on behalf of the counties
18 comprising the region, the mental health and disability
19 services that are not funded by the medical assistance program
20 under chapter 249A and for coordinating with the department the
21 provision of mental health and disability services that are
22 funded under the medical assistance program.

23 Sec. 30. NEW SECTION. 331.438D **Regional finances.**

24 1. The funding under the control of the governing board
25 shall be maintained in a combined account, in separate county
26 accounts that are under the control of the governing board, or
27 pursuant to other arrangements authorized by law that limit the
28 administrative burden of such control while facilitating public
29 scrutiny of financial processes.

30 2. The accounting system and financial reporting to the
31 department shall conform with the cost principles for state,
32 local, and Indian tribal governments issued by the United
33 States office of management and budget. The information
34 shall segregate expenditures for administration, purchase of
35 service, and enterprise costs for which the region is a service

1 provider or is directly billing and collecting payments and
2 shall be identified along with other financial information in
3 a uniform chart of accounts prescribed by the department of
4 management. Following periodic review of administrative costs,
5 the department shall make recommendations, in consultation
6 with the legislative services agency, for standards defining
7 region administrative costs and the methodology for calculating
8 a region's administrative load. Such standards shall be
9 specified in rule adopted by the state commission.

10 3. The funding provided pursuant to appropriations from the
11 mental health and disability regional services fund created in
12 section 225C.7A and from performance-based contracts with the
13 department shall be credited to the account or accounts under
14 the control of the governing board.

15 Sec. 31. NEW SECTION. 331.438E **Regional governance**
16 **agreements.**

17 1. In addition to compliance with the applicable provisions
18 of chapter 28E, the chapter 28E agreement entered into by the
19 counties comprising a mental health and disability services
20 region in forming the regional administrator to function on
21 behalf of the counties shall comply with the requirements of
22 this section.

23 2. The organizational provisions of the agreement shall
24 include all of the following:

25 a. A statement of purpose, goals, and objectives of entering
26 into the agreement.

27 b. Identification of the governing board membership and
28 the terms, methods of appointment, voting procedures, and
29 other provisions applicable to the operation of the governing
30 board. The voting procedures may provide for a weighted vote
31 on decisions identified by the governing board. A weighted
32 vote may provide for assignment of a number of votes to each
33 of the counties comprising the region equal to its population
34 within the region, may require at least three-fourths of the
35 total votes cast for approval of a decision, or may provide for

1 another weighted vote option determined by the governing board.

2 *c.* The identification of the process for selecting the
3 executive staff of the regional administrator serving as the
4 single point of accountability for the region.

5 *d.* The counties participating in the agreement.

6 *e.* The time period of the agreement and terms for
7 termination or renewal of the agreement.

8 *f.* The circumstances under which additional counties may
9 join the region.

10 *g.* Methods for dispute resolution and mediation.

11 *h.* Methods for termination of a county's participation in
12 the region.

13 *i.* Provisions for formation and assigned responsibilities
14 for one or more advisory committees consisting of individuals
15 who utilize services or actively involved relatives of such
16 individuals, service providers, governing board members, and
17 other interests identified in the agreement.

18 3. The administrative provisions of the agreement shall
19 include all of the following:

20 *a.* Responsibility of the governing board in appointing and
21 evaluating the performance of the chief executive officer of
22 the regional administrator.

23 *b.* A general list of the functions and responsibilities of
24 the regional administrator's chief executive officer and other
25 administrative staff.

26 *c.* Specification of the functions to be carried out by each
27 party to the agreement and by any subcontractor of a party to
28 the agreement. A contract with a provider network shall be
29 separately addressed.

30 4. The financial provisions of the agreement shall include
31 all of the following:

32 *a.* Methods for pooling, management, and expenditure of the
33 funding under the control of the regional administrator. If
34 the agreement does not provide for pooling of the participating
35 county moneys in a single fund, the agreement shall specify how

1 the participating county moneys will be subject to the control
2 of the regional administrator.

3 **b.** Methods for allocating administrative funding and
4 resources.

5 **c.** Contributions and uses of initial funding or related
6 contributions made by the counties participating in the
7 region for purposes of commencing operations by the regional
8 administrator.

9 **d.** Methods for acquiring or disposing of real property.

10 **e.** A process for determining the use of savings for
11 reinvestment.

12 **f.** A process for performance of an annual independent audit
13 of the regional administrator.

14 5. If implementation of a region's regional administrator
15 results in a change in the employer of county employees
16 assigned to the central point of coordination administrator
17 under section 331.440, Code Supplement 2011, to another public
18 employer and the employees were covered under a collective
19 bargaining agreement, such employees shall be retained and
20 the agreement shall be continued by the successor employer as
21 though there had not been a change in employer.

22 Sec. 32. NEW SECTION. 331.438F **County of residence —**
23 **services to residents — service authorization appeals —**
24 **disputes between counties or regions and the department.**

25 1. For the purposes of this section, unless the context
26 otherwise requires:

27 **a.** "*County of residence*" means the county in this state in
28 which, at the time a person applies for or receives services,
29 the person is living in the county and has established an
30 ongoing presence with the declared, good faith intention of
31 living in the county for a permanent or indefinite period of
32 time. The county of residence of a person who is a homeless
33 person is the county where the homeless person usually
34 sleeps. A person maintains residency in the county in which
35 the person last resided while a person is present in another

1 county receiving services in a hospital, a correctional
2 facility, a halfway house for community-based corrections
3 or substance-related treatment, a nursing facility, an
4 intermediate care facility for persons with an intellectual
5 disability, or a residential care facility, or for the purpose
6 of attending a college or university.

7 *b. "Homeless person"* means the same as defined in section
8 48A.2.

9 *c. "Person"* means a person who is a United States citizen or
10 a qualified alien as defined in 8 U.S.C. § 1641.

11 2. If a person appeals a service authorization or other
12 services-related determination made by a regional administrator
13 that cannot be resolved informally, the appeal shall be heard
14 in a contested case proceeding by a state administrative law
15 judge. The administrative law judge's decision shall be
16 considered a final agency decision under chapter 17A.

17 3. If a county of residence is part of a mental health and
18 disability services region that has agreed to pool funding and
19 liability for services, the responsibilities of the county
20 under law regarding such services shall be performed on behalf
21 of the county by the regional administrator. The county of
22 residence or the county's mental health and disability services
23 region, as applicable, is responsible for paying the public
24 costs of the mental health and disability services that are
25 not covered by the medical assistance program under chapter
26 249A and are provided in accordance with the region's approved
27 service management plan to persons who are residents of the
28 county or region.

29 4. *a.* The dispute resolution process implemented in
30 accordance with this subsection applies to residency disputes.
31 The dispute resolution process is not applicable to disputes
32 involving persons committed to a state facility pursuant to
33 chapter 812 or rule of criminal procedure 2.22, Iowa court
34 rules, or to disputes involving service authorization decisions
35 made by a region.

1 *b.* If a county, region, or the department, as applicable,
2 receives a billing for services provided to a resident
3 in another county or region, or objects to a residency
4 determination certified by the department or another county's
5 or region's regional administrator and asserts either that the
6 person has residency in another county or region or the person
7 is not a resident of this state or the person's residency
8 is unknown so that the person is deemed a state case, the
9 person's residency status shall be determined as provided in
10 this section. The county or region shall notify the department
11 of the county's or region's assertion within one hundred
12 twenty days of receiving the billing. If the county or region
13 asserts that the person has residency in another county or
14 region, that county or region shall be notified at the same
15 time as the department. If the department disputes a residency
16 determination certification made by a regional administrator,
17 the department shall notify the affected counties or regions
18 of the department's assertion.

19 *c.* The department, county, or region that received the
20 notification, as applicable, shall respond to the party that
21 provided the notification within forty-five days of receiving
22 the notification. If the parties cannot agree to a settlement
23 as to the person's residency status within ninety days of the
24 date of notification, on motion of any of the parties, the
25 matter shall be referred to the department of inspections and
26 appeals for a contested case hearing under chapter 17A before
27 an administrative law judge assigned in accordance with section
28 10A.801 to determine the person's residency status.

29 *d.* (1) The administrative law judge's determination
30 of the person's residency status is a final agency action,
31 notwithstanding contrary provisions of section 17A.15.
32 The party that does not prevail in the determination or
33 subsequent judicial review is liable for costs associated with
34 the proceeding, including reimbursement of the department
35 of inspections and appeals' actual costs associated with

1 the administrative proceeding. Judicial review of the
2 determination may be sought in accordance with section 17A.19.

3 (2) If following the determination of a person's residency
4 status in accordance with this section, additional evidence
5 becomes available that merits a change in that determination,
6 the parties affected may change the determination by mutual
7 agreement. Otherwise, a party may move that the matter be
8 reconsidered by the department, county, or region, or by the
9 administrative law judge.

10 e. (1) Unless a petition is filed for judicial review,
11 the administrative law judge's determination of the person's
12 residency status shall result in one of the following:

13 (a) If a county or region is determined to be the person's
14 residence, the county or region shall pay the amounts due and
15 shall reimburse any other amounts paid for services provided by
16 the other county or region or the department on the person's
17 behalf prior to the determination.

18 (b) If it is determined that the person is not a resident
19 of this state or the person's residency is unknown so that the
20 person is deemed to be a state case, the department shall pay
21 the amounts due and shall reimburse the county or region, as
22 applicable, for any payment made on behalf of the person prior
23 to the determination.

24 (2) The payment or reimbursement shall be remitted within
25 forty-five days of the date the decision was issued. After
26 the forty-five-day period, a penalty of not greater than one
27 percent per month may be added to the amount due.

28 Sec. 33. CODE EDITOR. The Code editor may codify the
29 provisions of this division of this Act and any other
30 provisions of this Act involving chapter 331 as one or more new
31 parts of chapter 331, division III.

32 Sec. 34. APPLICABILITY. The provisions of this division
33 of this Act enacting new sections in chapter 331, except
34 as specifically provided by the provisions, are applicable
35 beginning July 1, 2013.

DIVISION V

SUBACUTE CARE FACILITIES FOR PERSONS WITH SERIOUS AND
PERSISTENT MENTAL ILLNESS

Sec. 35. NEW SECTION. 135P.1 Definitions.

As used in this chapter, unless the context otherwise
requires:

1. "*Advanced registered nurse practitioner*" means a person
currently licensed as a registered nurse under chapter 152 or
152E who is registered with the board of nursing as an advanced
registered nurse practitioner.

2. "*Department*" means the department of inspections and
appeals.

3. "*Direction*" means authoritative policy or procedural
guidance for the accomplishment of a function or an activity.

4. "*Licensee*" means the holder of a license issued to
operate a subacute care facility for persons with serious and
persistent mental illness.

5. "*Mental health professional*" means the same as defined
in section 228.1.

6. "*Physician*" means a person licensed under chapter 148.

7. "*Physician assistant*" means a person licensed to practice
under the supervision of a physician as authorized in chapters
147 and 148C.

8. "*Psychiatric services*" means services provided under
the direction of a physician which address mental, emotional,
medical, or behavioral problems. "*Psychiatric services*" also
includes such services provided by a physician assistant or an
advanced registered nurse practitioner.

9. "*Rehabilitative services*" means services to encourage and
assist restoration of a resident's optimum mental and physical
capabilities.

10. "*Resident*" means a person who is eighteen years of age
or older and has been admitted by a physician to a subacute
care facility for persons with serious and persistent mental
illness.

1 11. *"Subacute care facility for persons with serious and*
2 *persistent mental illness"* or *"subacute care facility"* means an
3 institution, place, building, or agency with restricted means
4 of egress designed to provide accommodation, board, and the
5 services of a licensed psychiatrist for a period exceeding
6 twenty-four consecutive hours to three or more individuals who
7 primarily have serious and persistent mental illness, diagnosis
8 of a co-occurring disorder, and are not related to the owner
9 within the third degree of consanguinity.

10 12. *"Supervision"* means direct oversight and inspection of
11 the act of accomplishing a function or activity.

12 13. *"Treatment care plan"* means a plan of care and services
13 designed to eliminate the need for acute care by improving
14 the condition of a person with serious and persistent mental
15 illness. Services must be based upon a diagnostic evaluation,
16 which includes an examination of the medical, psychological,
17 social, behavioral, and developmental aspects of the person's
18 situation, reflecting the need for inpatient care.

19 Sec. 36. NEW SECTION. 135P.2 **Purpose.**

20 The purpose of this chapter is to provide for the
21 development, establishment, and enforcement of basic standards
22 for the operation, construction, and maintenance of a
23 subacute care facility which will ensure the safe and adequate
24 diagnosis, evaluation, and treatment of the residents.

25 Sec. 37. NEW SECTION. 135P.3 **Nature of care — seclusion**
26 **room — admissions.**

27 1. A subacute care facility shall utilize a team of
28 professionals to direct an organized program of diagnostic
29 services, psychiatric services, and rehabilitative services
30 to meet the needs of residents in accordance with a treatment
31 care plan developed for each resident under the supervision of
32 a licensed psychiatrist. The goal of a treatment care plan
33 is to transition residents to a less restrictive environment,
34 including a home-based community setting. Social and
35 rehabilitative services shall be provided under the direction

1 of a mental health professional.

2 2. The licensed psychiatrist providing supervision of
3 the subacute care facility shall evaluate the condition of
4 each resident no less than two times each month and shall be
5 available to residents of the facility on an on-call basis
6 at all other times. Additional evaluation and treatment may
7 be provided by or the licensed psychiatrist may delegate
8 evaluation and treatment responsibilities to a physician
9 assistant or advanced registered nurse practitioner. The
10 subacute care facility may employ a seclusion room meeting the
11 conditions described in 42 C.F.R. § 483.364(b) with approval of
12 the licensed psychiatrist of the facility or by order of the
13 resident's physician, a physician assistant, or an advanced
14 registered nurse practitioner.

15 3. An admission to the subacute care facility is subject
16 to a physician's written order certifying that the individual
17 being admitted requires regular oversight by a licensed
18 psychiatrist and requires no greater degree of care than that
19 which the facility to which the admission is made is licensed
20 to provide and is capable of providing.

21 Sec. 38. NEW SECTION. 135P.4 **Licensure.**

22 1. A person shall not establish, operate, or maintain a
23 subacute care facility unless the person obtains a license for
24 the subacute care facility under this chapter.

25 2. An intermediate care facility for persons with mental
26 illness licensed under chapter 135C may convert to a subacute
27 care facility by providing written notice to the department
28 that the facility has employed a full-time psychiatrist and
29 desires to make the conversion.

30 Sec. 39. NEW SECTION. 135P.5 **Application for license.**

31 An application for a license under this chapter shall be
32 submitted on a form requesting information required by the
33 department, which may include affirmative evidence of the
34 applicant's ability to comply with the rules for standards
35 adopted pursuant to this chapter. An application for a license

1 shall be accompanied by the required license fee which shall
2 be credited to the general fund of the state. The initial and
3 annual license fee is twenty-five dollars.

4 Sec. 40. NEW SECTION. 135P.6 **Inspection — conditions for**
5 **issuance.**

6 The department shall issue a license to an applicant under
7 this chapter if the department has ascertained that the
8 applicant's facilities and staff are adequate to provide the
9 care and services required of a subacute care facility and if
10 the applicant has been awarded a certificate of need pursuant
11 to chapter 135.

12 Sec. 41. NEW SECTION. 135P.7 **Denial, suspension, or**
13 **revocation of license.**

14 The department may deny an application or suspend or revoke
15 a license if the department finds that an applicant or licensee
16 has failed or is unable to comply with this chapter or the
17 rules establishing minimum standards pursuant to this chapter
18 or if any of the following conditions apply:

19 1. It is shown that a resident is a victim of cruelty or
20 neglect due to the acts or omissions of the licensee.

21 2. The licensee has permitted, aided, or abetted in the
22 commission of an illegal act in the subacute care facility.

23 3. An applicant or licensee acted to obtain or to retain a
24 license by fraudulent means, misrepresentation, or submitting
25 false information.

26 4. The licensee has willfully failed or neglected to
27 maintain a continuing in-service education and training program
28 for persons employed by the subacute care facility.

29 5. The application involves a person who has failed to
30 operate a subacute care facility in compliance with the
31 provisions of this chapter.

32 Sec. 42. NEW SECTION. 135P.8 **Provisional license.**

33 The department may issue a provisional license, effective
34 for not more than one year, to a licensee whose subacute care
35 facility does not meet the requirements of this chapter if,

1 prior to issuance of the license, the applicant submits written
2 plans to achieve compliance with the applicable requirements
3 and the plans are approved by the department. The plans shall
4 specify the deadline for achieving compliance.

5 Sec. 43. NEW SECTION. 135P.9 **Notice and hearings.**

6 The procedure governing notice and hearing to deny an
7 application or suspend or revoke a license shall be in
8 accordance with rules adopted by the department pursuant to
9 chapter 17A. A full and complete record shall be kept of the
10 proceedings and of any testimony. The record need not be
11 transcribed unless judicial review is sought. A copy or copies
12 of a transcript may be obtained by an interested party upon
13 payment of the cost of preparing the transcript or copies.

14 Sec. 44. NEW SECTION. 135P.10 **Rules.**

15 The department of inspections and appeals, in consultation
16 with the department of human services and affected professional
17 groups, shall adopt and enforce rules setting out the standards
18 for a subacute care facility and the rights of the residents
19 admitted to a subacute care facility. The department of
20 inspections and appeals and the department of human services
21 shall coordinate the adoption of rules and the enforcement of
22 the rules in order to prevent duplication of effort by the
23 departments and of requirements of the licensee.

24 Sec. 45. NEW SECTION. 135P.11 **Complaints alleging**
25 **violations — confidentiality.**

26 1. A person may request an inspection of a subacute care
27 facility by filing with the department a complaint of an
28 alleged violation of an applicable requirement of this chapter
29 or a rule adopted pursuant to this chapter. The complaint
30 shall state in a reasonably specific manner the basis of the
31 complaint. A statement of the nature of the complaint shall be
32 delivered to the subacute care facility involved at the time of
33 or prior to the inspection. The name of the person who files a
34 complaint with the department shall be kept confidential and
35 shall not be subject to discovery, subpoena, or other means

1 of legal compulsion for its release to a person other than
2 department employees involved in the investigation of the
3 complaint.

4 2. Upon receipt of a complaint made in accordance with
5 subsection 1, the department shall make a preliminary review
6 of the complaint. Unless the department concludes that the
7 complaint is intended to harass a subacute care facility or a
8 licensee or is without reasonable basis, it shall within twenty
9 working days of receipt of the complaint make or cause to be
10 made an on-site inspection of the subacute care facility which
11 is the subject of the complaint. The department of inspections
12 and appeals may refer to the department of human services
13 any complaint received by the department of inspections and
14 appeals if the complaint applies to rules adopted by the
15 department of human services. The complainant shall also
16 be notified of the name, address, and telephone number of
17 the designated protection and advocacy agency if the alleged
18 violation involves a facility with one or more residents with a
19 developmental disability or mental illness. In any case, the
20 complainant shall be promptly informed of the result of any
21 action taken by the department in the matter.

22 3. An inspection made pursuant to a complaint filed under
23 subsection 1 need not be limited to the matter or matters
24 referred to in the complaint; however, the inspection shall
25 not be a general inspection unless the complaint inspection
26 coincides with a scheduled general inspection. Upon arrival
27 at the subacute care facility to be inspected, the inspector
28 shall show identification to the person in charge of the
29 subacute care facility and state that an inspection is to
30 be made, before beginning the inspection. Upon request of
31 either the complainant or the department, the complainant or
32 the complainant's representative or both may be allowed the
33 privilege of accompanying the inspector during any on-site
34 inspection made pursuant to this section. The inspector may
35 cancel the privilege at any time if the inspector determines

1 that the privacy of a resident of the subacute care facility to
2 be inspected would be violated. The dignity of the resident
3 shall be given first priority by the inspector and others.

4 Sec. 46. NEW SECTION. 135P.12 Information confidential.

5 1. The department's final findings regarding licensure
6 shall be made available to the public in a readily available
7 form and place. Other information relating to the subacute
8 care facility is confidential and shall not be made available
9 to the public except in proceedings involving licensure, a
10 civil suit involving a resident, or an administrative action
11 involving a resident.

12 2. The name of a person who files a complaint with the
13 department shall remain confidential and is not subject to
14 discovery, subpoena, or any other means of legal compulsion for
15 release to a person other than an employee of the department or
16 an agent involved in the investigation of the complaint.

17 3. Information regarding a resident who has received or is
18 receiving care shall not be disclosed directly or indirectly
19 except as authorized under section 217.30.

20 Sec. 47. NEW SECTION. 135P.13 Judicial review.

21 Judicial review of the action of the department may be sought
22 pursuant to the Iowa administrative procedure Act, chapter 17A.
23 Notwithstanding chapter 17A, a petition for judicial review of
24 the department's actions under this chapter may be filed in the
25 district court of the county in which the related subacute care
26 facility is located or is proposed to be located. The status
27 of the petitioner or the licensee shall be preserved pending
28 final disposition of the judicial review.

29 Sec. 48. NEW SECTION. 135P.14 Penalty.

30 A person who establishes, operates, or manages a subacute
31 care facility without obtaining a license under this chapter
32 commits a serious misdemeanor. Each day of continuing
33 violation following conviction shall be considered a separate
34 offense.

35 Sec. 49. NEW SECTION. 135P.15 Injunction.

1 Notwithstanding the existence or pursuit of another remedy,
2 the department may maintain an action for injunction or other
3 process to restrain or prevent the establishment, operation, or
4 management of a subacute care facility without a license.

5 Sec. 50. Section 225.15, unnumbered paragraph 1, Code 2011,
6 is amended to read as follows:

7 When a respondent arrives at the state psychiatric hospital,
8 the admitting physician shall examine the respondent and
9 determine whether or not, in the physician's judgment, the
10 respondent is a fit subject for observation, treatment, and
11 hospital care. If, upon examination, the physician decides
12 that the respondent should be admitted to the hospital, the
13 respondent shall be provided a proper bed in the hospital;
14 ~~and the.~~ The physician who has charge of the respondent
15 shall proceed with observation, medical treatment, and
16 hospital care as in the physician's judgment are proper and
17 necessary, in compliance with sections 229.13 to 229.16.
18 After the respondent's admission, the physician may delegate
19 the observation, medical treatment, and hospital care of the
20 respondent to a physician assistant licensed to practice under
21 the supervision of a physician as authorized in chapters 147
22 and 148C or to an advanced registered nurse practitioner
23 licensed under chapter 152 or 152E and registered with the
24 board of nursing.

25 Sec. 51. Section 249A.26, subsection 2, Code 2011, is
26 amended by adding the following new paragraph:

27 NEW PARAGRAPH. *d.* Notwithstanding any provision of
28 this chapter to the contrary, for services provided to
29 eligible persons in a subacute care facility for persons
30 with serious and persistent mental illness licensed under
31 chapter 135P, the daily rate shall be equal to the sum of
32 the direct care Medicare-certified hospital-based nursing
33 facility patient-day-weighted median and the nondirect
34 care Medicare-certified hospital-based nursing facility
35 patient-day-weighted median.

1 Sec. 52. STUDY OF SUBACUTE FACILITIES. The department
2 of human services shall conduct a feasibility study and cost
3 analysis of providing institutional subacute services utilizing
4 facilities available at one or more of the state mental health
5 institutes or the Iowa veterans home, and shall submit a report
6 of the study containing findings and recommendations to the
7 governor and general assembly on or before December 1, 2012.

8 Sec. 53. IMPLEMENTATION OF ACT. Section 25B.2, subsection
9 3, shall not apply to this division of this Act.

10 DIVISION VI

11 BRAIN INJURY DEFINITION — CONFORMING AMENDMENTS — LEGAL
12 SETTLEMENT AND DISPUTE RESOLUTION PROCESSES

13 Sec. 54. Section 135.22, subsection 1, paragraph a, Code
14 2011, is amended to read as follows:

15 a. *"Brain injury"* means ~~the occurrence of injury~~ clinically
16 evident damage to the head brain resulting directly or
17 indirectly from trauma, infection, anoxia, vascular lesions,
18 or tumor of the brain, not primarily related to a degenerative
19 disease or aging process ~~that is documented in a medical record~~
20 ~~with one or more of the following conditions attributed to the~~
21 ~~head injury:~~

22 ~~{1} An observed or self-reported decreased level of~~
23 ~~consciousness.~~

24 ~~{2} Amnesia.~~

25 ~~{3} A skull fracture.~~

26 ~~{4} An objective neurological or neuropsychological~~
27 ~~abnormality.~~

28 ~~{5} A diagnosed intracranial lesion, which temporarily~~
29 or permanently impairs a person's physical, cognitive, or
30 behavioral functions, and is diagnosed by a physician. The
31 diagnoses of clinically evident damage to the brain used for
32 a diagnosis of brain injury shall be the same as specified
33 by rule for eligibility for the home and community-based
34 services waiver for persons with brain injury under the medical
35 assistance program.

1 Sec. 55. Section 218.99, Code 2011, is amended to read as
2 follows:

3 **218.99 Counties to be notified of patients' personal**
4 **accounts.**

5 The administrator in control of a state institution shall
6 direct the business manager of each institution under the
7 administrator's jurisdiction which is mentioned in section
8 331.424, subsection 1, paragraph "a", subparagraphs (1)
9 and (2), and for which services are paid under section
10 331.424A, to quarterly inform the county of ~~legal settlement's~~
11 ~~entity designated to perform the county's central point of~~
12 ~~coordination process~~ residence of any patient or resident who
13 has an amount in excess of two hundred dollars on account in
14 the patients' personal deposit fund and the amount on deposit.
15 The administrators shall direct the business manager to further
16 notify the ~~entity designated to perform the county's central~~
17 ~~point of coordination process~~ county of residence at least
18 fifteen days before the release of funds in excess of two
19 hundred dollars or upon the death of the patient or resident.
20 If the patient or resident has no ~~county of legal settlement~~
21 residency in this state or the person's residency is unknown so
22 that the person is deemed to be a state case, notice shall be
23 made to the director of human services and the administrator in
24 control of the institution involved.

25 Sec. 56. Section 222.10, Code 2011, is amended to read as
26 follows:

27 **222.10 Duty of peace officer.**

28 When any person with mental retardation departs without
29 proper authority from an institution in another state and
30 is found in this state, any peace officer in any county in
31 which such patient is found may take and detain the patient
32 without warrant or order and shall report such detention to the
33 administrator. The administrator shall provide for the return
34 of the patient to the authorities in the state from which the
35 unauthorized departure was made. Pending return, such patient

1 may be detained temporarily at one of the institutions of this
 2 state governed by the administrator or by the administrator of
 3 the division of child and family services of the department
 4 of human services. The provisions of this section relating
 5 to the administrator shall also apply to the return of other
 6 nonresident persons with mental retardation having legal
 7 ~~settlement~~ residency outside the state of Iowa.

8 Sec. 57. Section 222.13, subsection 1, Code 2011, is amended
 9 to read as follows:

10 1. If an adult person is believed to be a person with
 11 mental retardation, the adult person or the adult person's
 12 guardian may submit a request through the central point of
 13 coordination process for the county board of supervisors of the
 14 adult person's county of residence in writing to apply to the
 15 superintendent of any state resource center for the voluntary
 16 admission of the adult person either as an inpatient or an
 17 outpatient of the resource center. ~~After determining the legal~~
 18 ~~settlement of the adult person as provided by this chapter,~~
 19 ~~the~~ The board of supervisors shall, on forms prescribed by
 20 the department's administrator, apply to the superintendent
 21 of the resource center in the district for the admission of
 22 the adult person to the resource center. An application for
 23 admission to a special unit of any adult person believed to be
 24 in need of any of the services provided by the special unit
 25 under section 222.88 may be made in the same manner, upon
 26 request of the adult person or the adult person's guardian.
 27 The superintendent shall accept the application ~~providing~~ if
 28 a preadmission diagnostic evaluation, performed through the
 29 central point of coordination process, confirms or establishes
 30 the need for admission, except that an application ~~may~~ shall
 31 not be accepted if the institution does not have adequate
 32 facilities available or if the acceptance will result in an
 33 overcrowded condition.

34 Sec. 58. Section 222.31, subsection 1, paragraph b,
 35 subparagraph (1), Code 2011, is amended to read as follows:

1 (1) Commit the person to the state resource center
 2 designated by the administrator to serve the county in which
 3 the hearing is being held, or to a special unit. The court
 4 shall, prior to issuing an order of commitment, request
 5 that a diagnostic evaluation of the person be made by the
 6 ~~superintendent of the resource center or the special unit, or~~
 7 ~~the superintendent's qualified designee~~ a person qualified to
 8 perform the diagnostic evaluation. ~~The evaluation shall be~~
 9 ~~conducted at a place as the superintendent may direct.~~ The
 10 cost of the evaluation shall be defrayed by the committed
 11 person's county of legal settlement residence unless otherwise
 12 ordered by the court. The cost of the evaluation to be
 13 charged may be equal to but shall not exceed the actual cost
 14 of the evaluation. ~~Persons referred by a court to a resource~~
 15 ~~center or the special unit for diagnostic evaluation shall be~~
 16 ~~considered as outpatients of the institution.~~ ~~No~~ An order of
 17 commitment shall not be issued unless the superintendent of the
 18 institution recommends that the order be issued, and advises
 19 the court that adequate facilities for the care of the person
 20 are available.

21 Sec. 59. Section 222.49, Code 2011, is amended to read as
 22 follows:

23 **222.49 Costs paid.**

24 The costs of proceedings shall be ~~defrayed from the county~~
 25 ~~treasury paid by the county or the state, as determined in~~
 26 accordance with section 222.60, unless otherwise ordered by
 27 the court. When the person alleged to be mentally retarded
 28 is found not to be mentally retarded, the court shall render
 29 judgment for such costs against the person filing the petition
 30 except when the petition is filed by order of court.

31 Sec. 60. Section 222.50, Code 2011, is amended to read as
 32 follows:

33 **222.50 County of legal settlement residence or state to pay.**

34 When the proceedings are instituted in a county in which
 35 the person who is alleged to have mental retardation was found

1 but which is not the county of ~~legal settlement~~ residence of
2 the person, and the costs are not taxed to the petitioner, the
3 person's county which is the legal settlement of the person
4 of residence or the state, as determined in accordance with
5 section 222.60, shall, on presentation of a properly itemized
6 bill for such costs, repay the costs to the former county.
7 ~~When the person's legal settlement is outside the state or is~~
8 ~~unknown, the costs shall be paid out of money in the state~~
9 ~~treasury not otherwise appropriated, itemized on vouchers~~
10 ~~executed by the auditor of the county which paid the costs, and~~
11 ~~approved by the administrator.~~

12 Sec. 61. Section 222.60, subsection 1, Code 2011, is amended
13 to read as follows:

14 1. All necessary and legal expenses for the cost of
15 admission or commitment or for the treatment, training,
16 instruction, care, habilitation, support and transportation
17 of persons with mental retardation, as provided for in the
18 county management plan provisions implemented pursuant to
19 section 331.439, subsection 1, in a state resource center, or
20 in a special unit, or any public or private facility within or
21 without the state, approved by the director ~~of the department~~
22 of human services, shall be paid by either:

23 a. ~~The person's county in which such person has legal~~
24 ~~settlement as defined in section 252.16~~ of residence.

25 b. ~~The state when such the person has no legal settlement~~
26 ~~or when such settlement is unknown~~ is a resident in another
27 state or in a foreign country or the residence is unknown. The
28 payment responsibility shall be deemed to be a state case.

29 Sec. 62. Section 222.60, subsection 2, Code 2011, is amended
30 to read as follows:

31 2. a. Prior to a county of ~~legal settlement~~ residence
32 approving the payment of expenses for a person under this
33 section, the county may require that the person be diagnosed
34 to determine if the person has mental retardation or that
35 the person be evaluated to determine the appropriate level

1 of services required to meet the person's needs relating to
 2 mental retardation. The diagnosis and the evaluation may be
 3 performed concurrently and shall be performed by an individual
 4 or individuals approved by the county who are qualified
 5 to perform the diagnosis or the evaluation. Following the
 6 initial approval for payment of expenses, the county ~~of legal~~
 7 ~~settlement~~ may require that an evaluation be performed at
 8 reasonable time periods.

9 **b.** The cost of a county-required diagnosis and an evaluation
 10 is at the county's expense. ~~In the~~ For a state case ~~of a person~~
 11 ~~without legal settlement or whose legal settlement is unknown,~~
 12 the state may apply the diagnosis and evaluation provisions of
 13 this subsection at the state's expense.

14 **c.** A diagnosis or an evaluation under this section may be
 15 part of a county's central point of coordination process under
 16 section 331.440, provided that a diagnosis is performed only by
 17 an individual qualified as provided in this section.

18 Sec. 63. Section 222.61, Code 2011, is amended to read as
 19 follows:

20 **222.61 ~~Legal settlement~~ Residency determined.**

21 When a county receives an application on behalf of any person
 22 for admission to a resource center or a special unit or when
 23 a court issues an order committing any person to a resource
 24 center or a special unit, the board of supervisors shall
 25 ~~utilize~~ refer the determination of residency to the central
 26 point of coordination process to determine and certify that
 27 the ~~legal settlement~~ residence of the person is in one of the
 28 following:

- 29 1. In the county in which the application is received or in
 30 which the court is located.
- 31 2. In some other county of the state.
- 32 3. In another state or in a foreign country.
- 33 4. Unknown.

34 Sec. 64. Section 222.62, Code 2011, is amended to read as
 35 follows:

1 **222.62 ~~Settlement~~ Residency in another county.**

2 When the board of supervisors determines through the
3 central point of coordination process that the ~~legal settlement~~
4 residency of the person is other than in the county in which
5 the application is received, the determination shall be
6 certified to the superintendent of the resource center or the
7 special unit where the person is a patient. The certification
8 shall be accompanied by a copy of the evidence supporting the
9 determination. The superintendent shall charge the expenses
10 already incurred and unadjusted, and all future expenses of
11 the patient, to the county certified to be the county of ~~legal~~
12 ~~settlement~~ residency.

13 Sec. 65. Section 222.63, Code 2011, is amended to read as
14 follows:

15 **222.63 Finding of ~~settlement~~ residency — objection.**

16 A board of supervisors' certification utilizing the central
17 point of coordination process that a person's ~~legal settlement~~
18 residency is in another county shall be sent ~~by the board of~~
19 ~~supervisors~~ to the auditor of the county of ~~legal settlement~~
20 residence. The certification shall be accompanied by a copy
21 of the evidence supporting the determination. The auditor
22 of the county of ~~legal settlement~~ residence shall submit the
23 certification to the board of supervisors of the auditor's
24 county and it shall be conclusively presumed that the patient
25 has a ~~legal settlement~~ residency in that county unless that
26 county disputes the determination of ~~legal settlement~~ residency
27 as provided in section 225C.8.

28 Sec. 66. Section 222.64, Code 2011, is amended to read as
29 follows:

30 **222.64 Foreign state or country or unknown ~~legal settlement~~**
31 **residency.**

32 If the ~~legal settlement~~ residency of the person is
33 determined by ~~the board of supervisors through the central~~
34 ~~point of coordination process~~ a county or the state to be in
35 a foreign state or country or is determined to be unknown,

1 the ~~board of supervisors~~ county or the state shall certify
 2 the determination to the administrator. The certification
 3 shall be accompanied by a copy of the evidence supporting the
 4 determination. The care of the person shall be as arranged
 5 by the ~~board of supervisors~~ county or the state or by an
 6 order as the court may enter. Application for admission or
 7 order of commitment may be made pending investigation by the
 8 administrator.

9 Sec. 67. Section 222.65, Code 2011, is amended to read as
 10 follows:

11 **222.65 Investigation.**

12 If an application is made for placement of a person in
 13 a state resource center or special unit, the department's
 14 administrator shall immediately investigate the ~~legal~~
 15 ~~settlement~~ residency of the person and proceed as follows:

16 1. If the administrator concurs with a certified
 17 determination as to ~~legal settlement~~ residency of the person
 18 so that the person is deemed a state case under section
 19 222.60, the administrator shall cause the person either to be
 20 transferred to a resource center or a special unit or to be
 21 transferred to the place of foreign ~~settlement~~ residency.

22 2. If the administrator disputes a certified determination
 23 of ~~legal settlement~~ residency, the administrator shall order
 24 the person transferred to a state resource center or a special
 25 unit until the dispute is resolved.

26 3. If the administrator disputes a certified determination
 27 of ~~legal settlement~~ residency, the administrator shall utilize
 28 the procedure provided in section 225C.8 to resolve the
 29 dispute. A determination of the person's ~~legal settlement~~
 30 residency status made pursuant to section 225C.8 is conclusive.

31 Sec. 68. Section 222.66, Code 2011, is amended to read as
 32 follows:

33 **222.66 Transfers — state cases — expenses.**

34 1. The transfer to a resource center or a special unit or
 35 to the place of ~~legal settlement~~ residency of a person with

1 mental retardation who has no ~~legal-settlement~~ residence in
 2 this state or whose ~~legal-settlement~~ residency is unknown,
 3 shall be made in accordance with such directions as shall
 4 be prescribed by the administrator and when practicable by
 5 employees of the state resource center or the special unit.
 6 The actual and necessary expenses of such transfers shall be
 7 paid by the department on itemized vouchers sworn to by the
 8 claimants and approved by the administrator and the approved
 9 amount is appropriated to the department from any funds in the
 10 state treasury not otherwise appropriated.

11 2. The case of a person with an intellectual disability
 12 who is determined to have no residence in this state or whose
 13 residence is unknown shall be considered a state case.

14 Sec. 69. Section 222.67, Code 2011, is amended to read as
 15 follows:

16 **222.67 Charge on finding of ~~settlement~~ residency.**

17 If a person has been received into a resource center or a
 18 special unit as a patient whose ~~legal-settlement is supposedly~~
 19 ~~outside the state or~~ residency is unknown and the administrator
 20 determines that the ~~legal-settlement~~ residency of the patient
 21 was at the time of admission or commitment in a county of this
 22 state, the administrator shall certify the determination and
 23 charge all legal costs and expenses pertaining to the admission
 24 or commitment and support of the patient to the county of ~~legal~~
 25 ~~settlement~~ residence. The certification shall be sent to
 26 the county of ~~legal-settlement~~ residence. The certification
 27 shall be accompanied by a copy of the evidence supporting the
 28 determination. If the person's ~~legal-settlement~~ residency
 29 status has been determined in accordance with section 225C.8,
 30 the legal costs and expenses shall be charged to the county or
 31 as a state case in accordance with that determination. The
 32 costs and expenses shall be collected as provided by law in
 33 other cases.

34 Sec. 70. Section 222.68, Code 2011, is amended to read as
 35 follows:

1 **222.68 Costs paid in first instance.**

2 All necessary and legal expenses for the cost of admission
3 or commitment of a person to a resource center or a special
4 unit when the person's ~~legal-settlement~~ residency is found to
5 be in another county of this state shall in the first instance
6 be paid by the county from which the person was admitted or
7 committed. The county of ~~legal-settlement~~ residence shall
8 reimburse the county which pays for all such expenses. ~~Where~~
9 ~~any~~ If a county fails to make such reimbursement within
10 forty-five days following submission of a properly itemized
11 bill to the county of ~~legal-settlement~~ residence, a penalty of
12 not greater than one percent per month on and after forty-five
13 days from submission of the bill may be added to the amount
14 due.

15 Sec. 71. Section 222.69, Code 2011, is amended to read as
16 follows:

17 **222.69 Payment by state.**

18 ~~All~~ The amount necessary to pay the necessary and legal
19 expenses ~~for the cost~~ of admission or commitment of a person
20 to a resource center or a special unit when the person's ~~legal~~
21 ~~settlement~~ residence is outside this state or is unknown ~~shall~~
22 ~~be paid out of~~ is appropriated to the department from any
23 money in the state treasury not otherwise appropriated. Such
24 payments shall be made by the department on itemized vouchers
25 executed by the auditor of the county from which the expenses
26 have been paid and approved by the administrator.

27 Sec. 72. Section 222.70, Code 2011, is amended to read as
28 follows:

29 **222.70 ~~Legal-settlement~~ Residency disputes.**

30 If a dispute arises between counties or between the
31 department and a county as to the ~~legal-settlement~~ residency
32 of a person admitted or committed to a resource center, a
33 special unit, or a community-based service, the dispute shall
34 be resolved as provided in section 225C.8.

35 Sec. 73. Section 222.73, subsection 2, paragraph a,

1 unnumbered paragraph 1, Code 2011, is amended to read as
2 follows:

3 The superintendent shall certify to the department the
4 billings to each county for services provided to patients
5 chargeable to the county during the preceding calendar quarter.
6 The county billings shall be based on the average daily patient
7 charge and outpatient treatment charges computed pursuant to
8 subsection 1, and the number of inpatient days and outpatient
9 treatment service units chargeable to the county. The billings
10 to a county of ~~legal settlement~~ residence are subject to
11 adjustment for all of the following circumstances:

12 Sec. 74. Section 222.77, Code 2011, is amended to read as
13 follows:

14 **222.77 Patients on leave.**

15 The cost of support of patients placed on convalescent leave
16 or removed as a habilitation measure from a resource center,
17 or a special unit, except when living in the home of a person
18 legally bound for the support of the patient, shall be paid
19 by the county of ~~legal settlement~~ residence or the state as
20 provided in section 222.60. ~~If the patient has no county of~~
21 ~~legal settlement, the cost shall be paid from the support fund~~
22 ~~of the resource center or special unit and charged on abstract~~
23 ~~in the same manner as other state inpatients until the patient~~
24 ~~becomes self-supporting or qualifies for support under other~~
25 ~~statutes.~~

26 Sec. 75. Section 222.78, Code 2011, is amended to read as
27 follows:

28 **222.78 Parents and others liable for support.**

29 1. The father and mother of any patient admitted or
30 committed to a resource center or to a special unit, as
31 either an inpatient or an outpatient, and any person, firm, or
32 corporation bound by contract made for support of the patient
33 are liable for the support of the patient. The patient and
34 those legally bound for the support of the patient shall be
35 liable to the county or state, as applicable, for all sums

1 ~~advanced by the county to the state under~~ in accordance with
2 the provisions of sections 222.60 and 222.77.

3 2. The liability of any person, other than the patient,
4 who is legally bound for the support of a patient who is under
5 eighteen years of age in a resource center or a special unit
6 shall not exceed the average minimum cost of the care of a
7 normally intelligent minor without a disability of the same
8 age and sex as the minor patient. The administrator shall
9 establish the scale for this purpose but the scale shall not
10 exceed the standards for personal allowances established by
11 the state division under the family investment program. The
12 father or mother shall incur liability only during any period
13 when the father or mother either individually or jointly
14 receive a net income from whatever source, commensurate with
15 that upon which they would be liable to make an income tax
16 payment to this state. The father or mother of a patient shall
17 not be liable for the support of the patient upon the patient
18 attaining eighteen years of age. Nothing in this section
19 shall be construed to prevent a relative or other person
20 from voluntarily paying the full actual cost as established
21 by the administrator for caring for the patient with mental
22 retardation.

23 Sec. 76. Section 222.79, Code 2011, is amended to read as
24 follows:

25 **222.79 Certification statement presumed correct.**

26 In actions to enforce the liability imposed by section
27 222.78, ~~the certification statement sent from the~~
28 ~~superintendent to the county auditor pursuant to section~~
29 222.74 or the county of residence, as applicable, shall submit
30 a certification statement stating the sums charged ~~in such~~
31 ~~cases and the certification statement~~ shall be considered
32 presumptively correct.

33 Sec. 77. Section 222.80, Code 2011, is amended to read as
34 follows:

35 **222.80 Liability to county or state.**

1 A person admitted or committed to a county institution or
 2 home or admitted or committed at county or state expense to a
 3 private hospital, sanitarium, or other facility for treatment,
 4 training, instruction, care, habilitation, and support as a
 5 patient with mental retardation shall be liable to the county
 6 or state, as applicable, for the reasonable cost of the support
 7 as provided in section 222.78.

8 Sec. 78. Section 222.82, Code 2011, is amended to read as
 9 follows:

10 **222.82 Collection of liabilities and claims.**

11 ~~The~~ If liabilities and claims exist as provided in section
 12 222.78 or other provision of this chapter, the county of
 13 residence or the state, as applicable, may proceed as provided
 14 in this section. If the liabilities and claims are owed to
 15 a county of residence, the county's board of supervisors of
 16 ~~each county~~ may direct the county attorney to proceed with the
 17 collection of ~~said~~ the liabilities and claims as a part of
 18 the duties of the county attorney's office when the board of
 19 supervisors deems such action advisable. If the liabilities
 20 and claims are owed to the state, the state shall proceed
 21 with the collection. The board of supervisors or the state,
 22 as applicable, may ~~and is hereby empowered to~~ compromise any
 23 and all liabilities to the county or state arising under this
 24 chapter when such compromise is deemed to be in the best
 25 interests of the county or state. Any collections and liens
 26 shall be limited in conformance to section 614.1, subsection 4.

27 Sec. 79. Section 222.86, Code 2011, is amended to read as
 28 follows:

29 **222.86 Payment for care from fund.**

30 If a patient is not receiving medical assistance under
 31 chapter 249A and the amount in the account of any patient
 32 in the patients' personal deposit fund exceeds two hundred
 33 dollars, the business manager of the resource center or special
 34 unit may apply any amount of the excess to reimburse the county
 35 of ~~legal settlement or the state in a case where no legal~~

1 ~~settlement exists~~ residence or the state for liability incurred
2 by the county or the state for the payment of care, support,
3 and maintenance of the patient, when billed by the county ~~of~~
4 ~~legal settlement or by the administrator for a patient having~~
5 ~~no legal settlement~~ or state, as applicable.

6 Sec. 80. Section 222.92, subsection 3, paragraph a, Code
7 2011, is amended to read as follows:

8 a. Moneys received by the state from billings to counties
9 ~~under section 222.73.~~

10 Sec. 81. Section 225.23, Code 2011, is amended to read as
11 follows:

12 **225.23 Collection for treatment.**

13 If the bills for a committed or voluntary private patient are
14 paid by the state, the state psychiatric hospital shall file a
15 certified copy of the claim for the bills with the auditor ~~of~~
16 ~~the patient's county of residence~~ department of administrative
17 services. The ~~county of residence~~ department shall proceed to
18 collect the claim in the name of the state psychiatric hospital
19 ~~and, when collected, pay the amount collected to the director~~
20 ~~of the department of administrative services. The hospital~~
21 ~~shall also, at the same time, forward a duplicate of the claim~~
22 ~~to the director of the department of administrative services.~~

23 Sec. 82. Section 225C.6A, subsection 4, Code 2011, is
24 amended by striking the subsection.

25 Sec. 83. Section 225C.8, Code 2011, is amended to read as
26 follows:

27 **225C.8 ~~Legal settlement~~ Residency dispute resolution.**

28 1. a. The dispute resolution process implemented in
29 accordance with this section applies to ~~legal settlement~~
30 residency disputes and is not applicable to disputes involving
31 persons committed to a state facility pursuant to chapter 812
32 or rule of criminal procedure 2.22, Iowa court rules, or to
33 disputes of service authorization decisions made through the
34 county central point of coordination process.

35 b. If a county receives a billing for services provided to

1 a person under chapter 222, 230, or 249A, or objects to a ~~legal~~
 2 ~~settlement~~ residency determination certified by the department
 3 or another county and asserts either that the person has ~~legal~~
 4 ~~settlement~~ residency in another county or that the person has
 5 no ~~legal-settlement~~ residency or the ~~legal-settlement~~ person's
 6 residency is unknown so that the person is deemed to be a
 7 state case, the person's ~~legal-settlement~~ residency status
 8 shall be determined as provided in this section. The county
 9 shall notify the department of the county's assertion within
 10 one hundred twenty days of receiving the billing. If the
 11 county asserts that the person has ~~legal-settlement~~ residency
 12 in another county, that county shall be notified at the same
 13 time as the department. If the department disputes a ~~legal~~
 14 ~~settlement~~ residency determination certification made by a
 15 county, the department shall notify the affected counties of
 16 the department's assertion.

17 2. The department or the county that received the
 18 notification, as applicable, shall respond to the party that
 19 provided the notification within forty-five days of receiving
 20 the notification. If the parties cannot agree to a ~~settlement~~
 21 resolution as to the person's ~~legal-settlement~~ residency status
 22 within ninety days of the date of notification, on motion
 23 of any of the parties, the matter shall be referred to the
 24 department of inspections and appeals for a contested case
 25 hearing under chapter 17A before an administrative law judge
 26 assigned in accordance with section 10A.801 to determine the
 27 person's ~~legal-settlement~~ residency status.

28 3. a. The administrative law judge's determination of
 29 the person's ~~legal-settlement~~ residency status is a final
 30 agency action, notwithstanding contrary provisions of section
 31 17A.15. The party that does not prevail in the determination
 32 or subsequent judicial review is liable for costs associated
 33 with the proceeding, including reimbursement of the department
 34 of inspections and appeals' actual costs associated with
 35 the administrative proceeding. Judicial review of the

1 determination may be sought in accordance with section 17A.19.

2 **b.** If following the determination of a person's ~~legal~~
3 ~~settlement~~ residency status in accordance with this section,
4 additional evidence becomes available that merits a change
5 in that determination, the parties affected may change the
6 determination by mutual agreement. Otherwise, a party may move
7 that the matter be reconsidered.

8 **4.** Unless a petition is filed for judicial review, the
9 administrative law judge's determination of the person's
10 ~~legal-settlement~~ residency status shall result in one of the
11 following:

12 **a.** If a county is determined to be the person's county of
13 ~~legal-settlement~~ residence, the county shall pay the amounts
14 due and shall reimburse any other amounts paid for services
15 provided under chapter 222, 230, or 249A by the county or the
16 department on the person's behalf prior to issuance of the
17 decision. The payment or reimbursement shall be remitted
18 within forty-five days of the date the decision was issued.
19 After the forty-five-day period, a penalty may be applied as
20 authorized under section 222.68, 222.75, or 230.22.

21 **b.** If it is determined that the person has no ~~legal~~
22 ~~settlement~~ residency in the state or the ~~legal-settlement~~
23 person's residency is unknown so that the person is deemed to
24 be a state case, the department shall credit the county for
25 any payment made on behalf of the person by the county prior
26 to issuance of the decision. The credit shall be applied by
27 the department on a county billing no later than the end of
28 the quarter immediately following the date of the decision's
29 issuance.

30 **5.** This section is repealed July 1, 2013.

31 **Sec. 84.** Section 225C.16, subsection 2, Code 2011, is
32 amended to read as follows:

33 **2.** The clerk of the district court in that county shall
34 refer a person applying for authorization for voluntary
35 admission, or for authorization for voluntary admission of

1 another person, in accordance with section 229.42, to the
 2 appropriate entity designated through the central point of
 3 coordination process of the person's county of residence under
 4 section 225C.14 for the preliminary diagnostic evaluation
 5 unless the applicant furnishes a written statement from the
 6 appropriate entity which indicates that the evaluation has been
 7 performed and that the person's admission to a state mental
 8 health institute is appropriate. This subsection does not
 9 apply when authorization for voluntary admission is sought
 10 under circumstances which, in the opinion of the chief medical
 11 officer or that officer's physician designee, constitute a
 12 medical emergency.

13 Sec. 85. Section 225C.23, subsection 2, Code 2011, is
 14 amended to read as follows:

15 2. For the purposes of this section ~~and section 135.22A,~~
 16 "*brain injury*" means the ~~occurrence of injury to the head not~~
 17 ~~primarily related to a degenerative disease or aging process~~
 18 ~~that is documented in a medical record with one or more of the~~
 19 ~~following conditions attributed to the head injury:~~

20 ~~a. An observed or self-reported decreased level of~~
 21 ~~consciousness.~~

22 ~~b. Amnesia.~~

23 ~~c. A skull fracture.~~

24 ~~d. An objective neurological or neuropsychological~~
 25 ~~abnormality.~~

26 ~~e. A diagnosed intracranial lesion~~ same as defined in
 27 section 135.22.

28 Sec. 86. Section 226.9C, subsection 1, unnumbered paragraph
 29 1, Code Supplement 2011, is amended to read as follows:

30 The state mental health institute at Mount Pleasant shall
 31 operate the dual diagnosis mental health and ~~substance~~
 32 ~~abuse~~ substance-related disorder treatment program on a net
 33 budgeting basis in which fifty percent of the actual per diem
 34 and ancillary services costs are chargeable to the patient's
 35 county of ~~legal settlement~~ residence or as a state case, as

1 appropriate. Subject to the approval of the department,
2 revenues attributable to the dual diagnosis program for each
3 fiscal year shall be deposited in the mental health institute's
4 account and are appropriated to the department for the dual
5 diagnosis program, including but not limited to all of the
6 following revenues:

7 Sec. 87. Section 226.45, Code 2011, is amended to read as
8 follows:

9 **226.45 Reimbursement to county or state.**

10 If a patient is not receiving medical assistance under
11 chapter 249A and the amount to the account of any patient
12 in the patients' personal deposit fund exceeds two hundred
13 dollars, the business manager of the hospital may apply any
14 of the excess to reimburse the county of ~~legal settlement~~
15 residence or the state ~~in a case where no legal settlement~~
16 ~~exists~~ for a state case for liability incurred by the county
17 or the state for the payment of care, support and maintenance
18 of the patient, when billed by the county of ~~legal settlement~~
19 residence or by the administrator for a ~~patient having no legal~~
20 ~~settlement~~ state case.

21 Sec. 88. Section 229.9A, Code 2011, is amended to read as
22 follows:

23 **229.9A Advocate informed.**

24 The court shall direct the clerk to furnish the advocate
25 of the respondent's county of ~~legal settlement~~ residence
26 with a copy of application and any order issued pursuant to
27 section 229.8, subsection 3. The advocate may attend the
28 hospitalization hearing of any respondent for whom the advocate
29 has received notice of a hospitalization hearing.

30 Sec. 89. Section 229.12, subsection 2, Code 2011, is amended
31 to read as follows:

32 2. All persons not necessary for the conduct of the
33 proceeding shall be excluded, except that the court may admit
34 persons having a legitimate interest in the proceeding and
35 shall permit the advocate from the respondent's county of ~~legal~~

1 ~~settlement~~ residence to attend the hearing. Upon motion of the
2 county attorney, the judge may exclude the respondent from the
3 hearing during the testimony of any particular witness if the
4 judge determines that witness's testimony is likely to cause
5 the respondent severe emotional trauma.

6 Sec. 90. Section 229.19, subsection 1, paragraph b, Code
7 2011, is amended to read as follows:

8 b. The court or, if the advocate is appointed by the county
9 board of supervisors, the board shall assign the advocate
10 appointed from a patient's county of ~~legal settlement~~ residence
11 to represent the interests of the patient. If a patient has no
12 county of ~~legal settlement~~ residence or the patient is a state
13 case, the court or, if the advocate is appointed by the county
14 board of supervisors, the board shall assign the advocate
15 appointed from the county where the hospital or facility is
16 located to represent the interests of the patient.

17 Sec. 91. Section 229.24, subsection 3, unnumbered paragraph
18 1, Code 2011, is amended to read as follows:

19 If all or part of the costs associated with hospitalization
20 of an individual under this chapter are chargeable to a county
21 of ~~legal settlement~~ residence, the clerk of the district
22 court shall provide to the ~~county of legal settlement~~ county
23 of residence and to the county in which the hospitalization
24 order is entered the following information pertaining to the
25 individual which would be confidential under subsection 1:

26 Sec. 92. Section 229.31, Code 2011, is amended to read as
27 follows:

28 **229.31 Commission of inquiry.**

29 A sworn complaint, alleging that a named person is not
30 seriously mentally impaired and is unjustly deprived of liberty
31 in any hospital in the state, may be filed by any person with
32 the clerk of the district court of the county in which such
33 named person is so confined, or of the county in which such
34 named person ~~has a legal settlement, and thereupon a is a~~
35 resident. Upon receiving the complaint, a judge of said that

1 court shall appoint a commission of not more than three persons
2 to inquire into the truth of ~~said~~ the allegations. One of
3 ~~said the~~ commissioners shall be a physician and if additional
4 commissioners are appointed, one of ~~such~~ the additional
5 commissioners shall be a lawyer.

6 Sec. 93. Section 229.42, Code 2011, is amended to read as
7 follows:

8 **229.42 Costs paid by county.**

9 1. If a person wishing to make application for voluntary
10 admission to a mental hospital established by chapter 226 is
11 unable to pay the costs of hospitalization or those responsible
12 for the person are unable to pay the costs, application for
13 authorization of voluntary admission must be made through a
14 central point of coordination process before application for
15 admission is made to the hospital. The person's county of
16 ~~legal settlement~~ residence shall be determined through the
17 central point of coordination process and if the admission is
18 approved through the central point of coordination process,
19 the person's admission to a mental health hospital shall be
20 authorized as a voluntary case. The authorization shall be
21 issued on forms provided by the administrator. The costs
22 of the hospitalization shall be paid by the county of ~~legal~~
23 ~~settlement~~ residence to the department of human services and
24 credited to the general fund of the state, provided that the
25 mental health hospital rendering the services has certified to
26 the county auditor of the county of ~~legal settlement~~ residence
27 the amount chargeable to the county and has sent a duplicate
28 statement of the charges to the department of human services.
29 A county shall not be billed for the cost of a patient unless
30 the patient's admission is authorized through the central point
31 of coordination process. The mental health institute and the
32 county shall work together to locate appropriate alternative
33 placements and services, and to educate patients and family
34 members of patients regarding such alternatives.

35 2. All the provisions of chapter 230 shall apply to such

1 voluntary patients so far as is applicable.

2 3. The provisions of this section and of section 229.41
3 shall apply to all voluntary inpatients or outpatients
4 receiving mental health services either away from or at the
5 institution.

6 4. If a county fails to pay the billed charges within
7 forty-five days from the date the county auditor received the
8 certification statement from the superintendent, the department
9 of human services shall charge the delinquent county the
10 penalty of one percent per month on and after forty-five days
11 from the date the county received the certification statement
12 until paid. The penalties received shall be credited to the
13 general fund of the state.

14 Sec. 94. Section 229.43, Code 2011, is amended to read as
15 follows:

16 **229.43 ~~Nonresidents or no-settlement~~ Nonresident patients.**

17 The administrator may place patients of mental health
18 institutes ~~who have no county of legal settlement~~, who
19 are nonresidents, ~~or whose legal settlement is unknown~~ on
20 convalescent leave to a private sponsor or in a health care
21 facility licensed under chapter 135C, when in the opinion
22 of the administrator the placement is in the best interests
23 of the patient and the state of Iowa. If the patient was
24 involuntarily hospitalized, the district court which ordered
25 hospitalization of the patient must be informed when the
26 patient is placed on convalescent leave, as required by section
27 229.15, subsection 5.

28 Sec. 95. Section 230.1, Code 2011, is amended to read as
29 follows:

30 **230.1 Liability of county and state.**

31 1. The necessary and legal costs and expenses attending
32 the taking into custody, care, investigation, admission,
33 commitment, and support of a person with mental illness
34 admitted or committed to a state hospital shall be paid by a
35 county or by the state as follows:

1 ~~a. By the county in which such person has a legal~~
2 ~~settlement, if~~ If the person is eighteen years of age or older,
3 by the person's county of residence.

4 ~~b. By the state when as a state case if~~ such person has no
5 ~~legal settlement residence~~ in this state, ~~when if~~ the person's
6 ~~legal settlement residence~~ is unknown, or if the person is
7 under eighteen years of age.

8 2. The ~~legal settlement~~ county of residence of any person
9 ~~found mentally ill with mental illness~~ who is a patient of
10 any state institution shall be ~~that~~ the person's county of
11 residence existing at the time of admission ~~thereto~~ to the
12 institution.

13 3. A county of ~~legal settlement~~ residence is not liable
14 for costs and expenses associated with a person with mental
15 illness unless the costs and expenses are for services and
16 other support authorized for the person through the central
17 point of coordination process. For the purposes of this
18 chapter, "*central point of coordination process*" means the same
19 as defined in section 331.440.

20 Sec. 96. Section 230.2, Code 2011, is amended to read as
21 follows:

22 **230.2 Finding of ~~legal settlement~~ residence.**

23 If a person's ~~legal settlement~~ residency status is
24 disputed, ~~legal settlement~~ the residency shall be determined
25 in accordance with section 225C.8. Otherwise, the district
26 court may, when the person is ordered placed in a hospital
27 for psychiatric examination and appropriate treatment, or as
28 soon thereafter as the court obtains the proper information,
29 determine and enter of record whether the ~~legal settlement~~
30 residence of the person is ~~one of the following~~ in a county or
31 the person is deemed to be a state case, as follows:

32 1. In the county from which the person was placed in the
33 hospital, ~~or~~.

34 2. In ~~some other~~ another county of the state, ~~or~~.

35 3. In ~~some~~ a foreign state or country, ~~or~~ and deemed to be

1 a state case.

2 4. Unknown and deemed to be a state case.

3 Sec. 97. Section 230.3, Code 2011, is amended to read as
4 follows:

5 **230.3 Certification of settlement residence.**

6 If a person's ~~legal-settlement~~ county of residence
7 is determined ~~through~~ by the county's central point of
8 coordination process to be in another county of this state, the
9 county making the determination shall certify the determination
10 to the superintendent of the hospital to which the person is
11 admitted or committed. The certification shall be accompanied
12 by a copy of the evidence supporting the determination. Upon
13 receiving the certification, the superintendent shall charge
14 the expenses already incurred and unadjusted, and all future
15 expenses of the person, to the county determined to be the
16 county of ~~legal-settlement~~ residence.

17 Sec. 98. Section 230.4, Code 2011, is amended to read as
18 follows:

19 **230.4 Certification to debtor county.**

20 A determination of a person's ~~legal-settlement~~ county of
21 residence made in accordance with section 230.2 or 230.3 shall
22 be sent by the court or the county to the county auditor of
23 the county of ~~legal-settlement~~ residence. The certification
24 shall be accompanied by a copy of the evidence supporting the
25 determination. The auditor shall provide the certification
26 to the board of supervisors of the auditor's county, and it
27 shall be conclusively presumed that the person has a ~~legal~~
28 ~~settlement~~ residence in the notified county unless that county
29 disputes the finding of ~~legal-settlement~~ residence as provided
30 in section 225C.8.

31 Sec. 99. Section 230.5, Code 2011, is amended to read as
32 follows:

33 **230.5 Nonresidents.**

34 If a person's ~~legal-settlement~~ residence is determined in
35 accordance with section 230.2 or 230.3 to be in a foreign

1 state or country, or is unknown, the court or the county shall
 2 immediately certify the determination to the department's
 3 administrator. The certification shall be accompanied by a
 4 copy of the evidence supporting the determination. A court
 5 order issued pursuant to section 229.13 shall direct that the
 6 patient be hospitalized at the appropriate state hospital for
 7 persons with mental illness.

8 Sec. 100. Section 230.8, Code 2011, is amended to read as
 9 follows:

10 **230.8 Transfers of persons with mental illness — expenses.**

11 The transfer to any state hospitals or to the places of their
 12 ~~legal settlement~~ residence of persons with mental illness who
 13 have no ~~legal settlement~~ residence in this state or whose ~~legal~~
 14 ~~settlement~~ residence is unknown and deemed to be a state case,
 15 shall be made according to the directions of the administrator,
 16 and when practicable by employees of the state hospitals, ~~and~~
 17 ~~the.~~ The actual and necessary expenses of such transfers shall
 18 be paid on itemized vouchers sworn to by the claimants and
 19 approved by the administrator, and the amount of the expenses
 20 is appropriated to the department from any funds in the state
 21 treasury not otherwise appropriated.

22 Sec. 101. Section 230.9, Code 2011, is amended to read as
 23 follows:

24 **230.9 Subsequent discovery of residence.**

25 If, after a person has been received by a state hospital for
 26 persons with mental illness as a state case patient whose ~~legal~~
 27 ~~settlement~~ residence is supposed to be outside this state or
 28 unknown, the administrator determines that the ~~legal settlement~~
 29 residence of the person was, at the time of admission or
 30 commitment, in a county of this state, the administrator shall
 31 certify the determination and charge all legal costs and
 32 expenses pertaining to the admission or commitment and support
 33 of the person to the county of ~~legal settlement~~ residence. The
 34 certification shall be sent to the county of ~~legal settlement~~
 35 residence. The certification shall be accompanied by a copy

1 of the evidence supporting the determination. The costs and
2 expenses shall be collected as provided by law in other cases.
3 If the person's ~~legal settlement~~ residency status has been
4 determined in accordance with section 225C.8, the legal costs
5 and expenses shall be charged to the county of residence or as
6 a state case in accordance with that determination.

7 Sec. 102. Section 230.10, Code 2011, is amended to read as
8 follows:

9 **230.10 Payment of costs.**

10 All legal costs and expenses attending the taking into
11 custody, care, investigation, and admission or commitment of
12 a person to a state hospital for persons with mental illness
13 under a finding that such the person has a ~~legal settlement~~
14 residency in another county of this state shall be charged
15 against the county of ~~legal settlement~~ residence.

16 Sec. 103. Section 230.11, Code 2011, is amended to read as
17 follows:

18 **230.11 Recovery of costs from state.**

19 Costs and expenses attending the taking into custody,
20 care, and investigation of a person who has been admitted
21 or committed to a state hospital, United States department
22 of veterans affairs hospital, or other agency of the United
23 States government, for persons with mental illness and who has
24 no ~~legal settlement~~ residence in this state or whose ~~legal~~
25 ~~settlement~~ residence is unknown, including cost of commitment,
26 if any, shall be paid ~~out of~~ as a state case as approved by the
27 administrator. The amount of the costs and expenses approved
28 by the administrator is appropriated to the department from
29 any money in the state treasury not otherwise appropriated, on
30 itemized vouchers executed by the auditor of the county which
31 has paid them, and approved by the administrator.

32 Sec. 104. Section 230.12, Code 2011, is amended to read as
33 follows:

34 **230.12 ~~Legal settlement~~ Residency disputes.**

35 If a dispute arises between different counties or between

1 the administrator and a county as to the ~~legal settlement~~
2 residence of a person admitted or committed to a state hospital
3 for persons with mental illness, the dispute shall be resolved
4 as provided in section 225C.8.

5 Sec. 105. Section 230.32, Code 2011, is amended to read as
6 follows:

7 **230.32 Support of nonresident patients on leave.**

8 The cost of support of patients without ~~legal settlement~~
9 residence in this state, who are placed on convalescent
10 leave or removed from a state mental institute to any health
11 care facility licensed under chapter 135C for rehabilitation
12 purposes, shall be paid from the hospital support fund
13 and shall be charged on abstract in the same manner as
14 state inpatients, until such time as the patient becomes
15 self-supporting or qualifies for support under existing
16 statutes.

17 Sec. 106. Section 249A.12, subsection 2, Code 2011, is
18 amended to read as follows:

19 2. A county shall reimburse the department on a monthly
20 basis for that portion of the cost of assistance provided
21 under this section to a recipient ~~with legal settlement in who~~
22 is a resident of the county, which is not paid from federal
23 funds, if the recipient's placement has been approved by the
24 appropriate review organization as medically necessary and
25 appropriate. The department's goal for the maximum time period
26 for submission of a claim to a county is not more than sixty
27 days following the submission of the claim by the provider
28 of the service to the department. The department's goal for
29 completion and crediting of a county for cost settlement for
30 the actual costs of a service under a home and community-based
31 services waiver is within two hundred seventy days of the close
32 of a fiscal year for which cost reports are due from providers.
33 The department shall place all reimbursements from counties
34 in the appropriation for medical assistance, and may use the
35 reimbursed funds in the same manner and for any purpose for

1 which the appropriation for medical assistance may be used.

2 Sec. 107. Section 249A.12, subsection 6, paragraphs c and d,
3 Code 2011, are amended to read as follows:

4 c. The person's county of ~~legal settlement~~ residence shall
5 pay for the nonfederal share of the cost of services provided
6 under the waiver, and the state shall pay for the nonfederal
7 share of such costs if the person ~~has no legal settlement is~~
8 not a resident of this state or the ~~legal settlement person's~~
9 residency is unknown so that the person is deemed to be a state
10 case.

11 d. The county of ~~legal settlement~~ residence shall pay
12 for one hundred percent of the nonfederal share of the costs
13 of care provided for adults which is reimbursed under a home
14 and community-based services waiver that would otherwise be
15 approved for provision in an intermediate care facility for
16 persons with mental retardation provided under the medical
17 assistance program.

18 Sec. 108. Section 249A.12, subsections 7 and 8, Code 2011,
19 are amended to read as follows:

20 7. When paying the necessary and legal expenses for
21 intermediate care facility for persons with mental retardation
22 services, the cost requirements of section 222.60 shall
23 be considered fulfilled when payment is made in accordance
24 with the medical assistance payment rates established by
25 the department for intermediate care facilities for persons
26 with mental retardation, and the state or a county of ~~legal~~
27 ~~settlement~~ residence shall not be obligated for any amount in
28 excess of the rates.

29 8. If a person with mental retardation has no ~~legal~~
30 ~~settlement~~ residence in this state or the ~~legal settlement~~
31 whose residency is unknown so that the person is deemed
32 to be a state case and services associated with the mental
33 retardation can be covered under a medical assistance home and
34 community-based services waiver or other medical assistance
35 program provision, the nonfederal share of the medical

1 assistance program costs for such coverage shall be paid from
2 the appropriation made for the medical assistance program.

3 Sec. 109. Section 249A.26, subsection 2, Code 2011, is
4 amended to read as follows:

5 2. a. Except as provided for disallowed costs in section
6 249A.27, the county of ~~legal-settlement~~ residence shall pay for
7 fifty percent of the nonfederal share of the cost and the state
8 shall have responsibility for the remaining fifty percent of
9 the nonfederal share of the cost of case management provided
10 to adults, day treatment, and partial hospitalization provided
11 under the medical assistance program for persons with mental
12 retardation, a developmental disability, or chronic mental
13 illness. For purposes of this section, persons with mental
14 disorders resulting from Alzheimer's disease or ~~substance~~
15 ~~abuse~~ a substance-related disorder shall not be considered
16 ~~chronically mentally ill~~ to be persons with chronic mental
17 illness. To the maximum extent allowed under federal law and
18 regulations, the department shall consult with and inform a
19 person's county of ~~legal-settlement's~~ residence's central
20 point of coordination process, as defined in section 331.440,
21 regarding the necessity for and the provision of any service
22 for which the county is required to provide reimbursement under
23 this subsection.

24 b. The state shall pay for one hundred percent of the
25 nonfederal share of the costs of case management provided for
26 adults, day treatment, partial hospitalization, and the home
27 and community-based services waiver services for persons who
28 have no ~~legal-settlement~~ residence in this state or ~~the legal~~
29 ~~settlement~~ whose residence is unknown so that the persons are
30 deemed to be state cases.

31 c. The case management services specified in this subsection
32 shall be paid for by a county only if the services are provided
33 outside of a managed care contract.

34 Sec. 110. Section 249A.26, subsections 3, 4, and 7, Code
35 2011, are amended to read as follows:

1 3. To the maximum extent allowed under federal law and
 2 regulations, a person with mental illness or mental retardation
 3 shall not be eligible for any service which is funded in
 4 whole or in part by a county share of the nonfederal portion
 5 of medical assistance funds unless the person is referred
 6 through the central point of coordination process, as defined
 7 in section 331.440. However, to the extent federal law allows
 8 referral of a medical assistance recipient to a service without
 9 approval of the central point of coordination process, the
 10 county of ~~legal-settlement~~ residence shall be billed for the
 11 nonfederal share of costs for any adult person for whom the
 12 county would otherwise be responsible.

13 4. The county of ~~legal-settlement~~ residence shall pay for
 14 one hundred percent of the nonfederal share of the cost of
 15 services provided to adult persons with chronic mental illness
 16 who qualify for habilitation services in accordance with the
 17 rules adopted for the services. The state shall pay for one
 18 hundred percent of the nonfederal share of the cost of such
 19 services provided to such persons who have no ~~legal-settlement~~
 20 residency in this state or ~~the legal-settlement~~ whose residency
 21 is unknown so that the persons are deemed to be state cases.

22 7. Unless a county has paid or is paying for the nonfederal
 23 share of the costs of a person's home and community-based
 24 waiver services or placement in an intermediate care facility
 25 for persons with mental retardation under the county's mental
 26 health, mental retardation, and developmental disabilities
 27 services fund created in section 331.424A, or unless a county
 28 of ~~legal-settlement~~ residence would become liable for the costs
 29 of services for a person at the level of care provided in an
 30 intermediate care facility for persons with mental retardation
 31 due to the person reaching the age of majority, the state
 32 shall pay for the nonfederal share of the costs of an eligible
 33 person's services under the home and community-based services
 34 waiver for persons with brain injury.

35 Sec. 111. Section 252.23, Code 2011, is amended to read as

1 follows:

2 **252.23 Legal settlement disputes.**

3 If the alleged settlement is disputed, then, within thirty
4 days after notice as provided in section 252.22, a copy of
5 the notices sent and received shall be filed in the office of
6 the clerk of the district court of the county against which
7 claim is made, and a cause docketed without other pleadings,
8 and tried as an ordinary action, in which the county granting
9 the assistance shall be plaintiff, and the other defendant,
10 and the burden of proof shall be upon the county granting the
11 assistance. However, a ~~legal settlement~~ dispute concerning
12 the liability of a person's county of residence for assistance
13 provided through the county's mental health and disability
14 services system implemented under chapter 331 in connection
15 with services initiated under chapter 222, 230, or 249A shall
16 be resolved as provided in section 225C.8.

17 Sec. 112. Section 252.24, Code 2011, is amended to read as
18 follows:

19 **252.24 County of settlement liable.**

20 1. The county where the settlement is shall be liable to
21 the county granting assistance for all reasonable charges and
22 expenses incurred in the assistance and care of a poor person.

23 2. When assistance is furnished by any governmental agency
24 of the county, township, or city, the assistance shall be
25 deemed to have been furnished by the county in which the
26 agency is located and the agency furnishing the assistance
27 shall certify the correctness of the costs of the assistance
28 to the board of supervisors of that county and that county
29 shall collect from the county of the person's settlement. The
30 amounts collected by the county where the agency is located
31 shall be paid to the agency furnishing the assistance. This
32 statute applies to services and supplies furnished as provided
33 in section 139A.18.

34 3. Notwithstanding subsection 2, if assistance or
35 maintenance is provided by a county through the county's mental

1 health and disability services system implemented under chapter
2 331, liability for the assistance and maintenance is the
3 responsibility of the person's county of residence.

4 Sec. 113. Section 331.440, subsection 2, paragraph b, Code
5 Supplement 2011, is amended to read as follows:

6 *b. "County of residence"* means the county in this state in
7 which, at the time an adult person applies for or receives
8 services, the adult person is living and has established an
9 ongoing presence with the declared, good faith intention of
10 living for a permanent or indefinite period of time. The
11 county of residence of an adult person who is a homeless
12 person is the county where the homeless person usually sleeps.
13 A person maintains residency in the county in which the
14 person last resided while the person is present in another
15 county receiving services in a hospital, a correctional
16 facility, a halfway house for community-based corrections
17 or substance-related treatment, a nursing facility, an
18 intermediate care facility for persons with an intellectual
19 disability, or a residential care facility, or for the purpose
20 of attending a college or university.

21 Sec. 114. Section 331.502, subsection 11, Code 2011, is
22 amended to read as follows:

23 11. Carry out duties relating to the determination of ~~legal~~
24 ~~settlement~~ residency, collection of funds due the county, and
25 support of persons with mental retardation as provided in
26 sections 222.13, 222.50, 222.61 to 222.66, 222.69, and 222.74.

27 Sec. 115. Section 347.16, subsection 3, Code 2011, is
28 amended to read as follows:

29 3. Care and treatment may be furnished in a county public
30 hospital to any sick or injured person who has legal settlement
31 outside the county which maintains the hospital, subject to
32 such policies and rules as the board of hospital trustees may
33 adopt. If care and treatment is provided under this subsection
34 to a person who is indigent, the county in which that person
35 has legal settlement shall pay to the board of hospital

1 trustees the fair and reasonable cost of the care and treatment
2 provided by the county public hospital unless the cost of the
3 indigent person's care and treatment is otherwise provided for.
4 If care and treatment is provided to an indigent person under
5 this subsection, the county public hospital furnishing the
6 care and treatment shall immediately notify, by regular mail,
7 the auditor of the county of legal settlement of the indigent
8 person of the provision of care and treatment to the indigent
9 person. However, if the care and treatment is provided by
10 a county through the county's mental health and disability
11 services system implemented under chapter 331, liability for
12 the assistance and maintenance is the responsibility of the
13 person's county of residence.